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Daily Report

East Asia

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Daily Report

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Japan

Clinton 'Blasted' Japan's Actions in World War II *OW1401035195 Tokyo KYODO in English 0216 GMT 14 Jan 95*

[FBIS Transcribed Text] Washington, Jan. 13 KYODO—U.S. President Bill Clinton, in a message commemorating the 50th anniversary of the end of World War II, has blasted Japan's Pearl Harbor attack and death marches in the Philippines as the war's "wrongs," along with Germany's holocaust and blitzkrieg.

In the message to the Defense Department's 50th anniversary of WWII commemoration committee, Clinton called on the American people to "rededicate themselves to learning from the lessons of that fateful conflict and reaffirm the values of human decency." A copy of his message was made available to KYODO NEWS SERVICE on Friday [13 January].

"The wrong was Hitler and the blitzkrieg, his maniacal war of expansion. The wrongs were the concentration camps and the willful extermination of millions of human beings.

"The wrongs were the attacks on Pearl Harbor, the death marches in the Philippines, and the enslavement of defenseless nations," Clinton said in his message.

Officials said Clinton wrote the message to the commemorative committee in 1993 after he became president.

Foreign Minister Yohei Kono and other Japanese leaders in recent weeks have drawn the attention of the United States to sensitivity among the Japanese people to planned events and anniversaries marking the end of World War II.

Protests from the Japanese Government and atomic bomb victims of Hiroshima and Nagasaki have led the U.S. Postal Service to drop plans to issue a stamp featuring an image of the mushroom cloud as part of a special World War II commemorative stamp. A World War II exhibition featuring the 1945 atomic bombing of the two Japanese cities has been modified despite protests from American war veterans.

NFP: Results of Japan-U.S. Summit 'Regretful'

OW1401031395 Tokyo NIHON KEIZAI SHIMBUN in Japanese 13 Jan 95 Morning Edition p 2

[FBIS Translated Text] The New Frontier Party [NFP] on 12 January issued a comment on the achievements of the Japan-U.S. summit saying: "It is regretful that the meeting failed to present any new directions for Japan-U.S. relations." The comment was issued by Takeo Nishioka, who is in charge of overall coordination [sogo chosei] in the party's "Cabinet of Tomorrow."

Referring to the issue of helping the DPRK (North Korea) build light-water reactors, Nishioka insisted: "All

that was accomplished was a confirmation along the lines of U.S. thinking." He added: "The passive attitude lacking in subjectivity that was manifested was far from the view on equal partners."

Business Leaders Assess Clinton-Murayama Talks

OW1501150395 Tokyo TOKYO SHIMBUN in Japanese 12 Jan 95 Evening Edition p 2

[FBIS Translated Text] Business organizations one after another on 12 January made comments concerning the Japanese-U.S. summit talks at which the two nations pledged to construct a creative partnership.

One statement came from Shoichiro Toyoda, chairman of the Japan Federation of Economic Organizations. Toyoda said: "The two leaders reconfirmed the importance of Japanese-U.S. relations in the year that marks the 50th anniversary of the end of World War II. This has a profound meaning for the two nations' constructing bilateral relationships for the 21st century based on trust."

Touching on wide-ranging Asian issues, Takeshi Nagano, president of the Japan Federation of Employers Associations, said: "Japan announced that it will actively provide financial support to the DPRK (North Korea) for its light-water reactor conversion program. This will contribute to improving Japanese-U.S. relations."

Kosaku Inaba, chairman of the Japan Chamber of Commerce and Industry, praised the results of the summit: "Both nations also confirmed their cooperation in preparing for the Asia-Pacific Economic Cooperation [APEC] forum."

Masaru Hayami, chairman of the Japan Association of Corporate Executives, made a request regarding Japanese-U.S. cooperation in the future. He said: "Japan will host the next APEC meeting this year. It is necessary for Japan to make efforts as a sincere mediator between Asia and the United States to make the Osaka meeting successful."

Editorials Review Murayama-Clinton Summit

Evaluated by NIHON KEIZAI SHIMBUN

OW1401035495 Tokyo NIHON KEIZAI SHIMBUN in Japanese 13 Jan 95 Morning Edition p 2

[Editorial: "Bilateral Economic Issues Excluded From Japan-U.S. Summit Agenda"]

[FBIS Translated Text] A highlight of the latest Japan-U.S. summit was the fact that the leaders of Japan and the United States avoided focusing their discussions on bilateral economic issues. If they avoided discussing bilateral economic issues because of a change in the Clinton administration's policy on Japan, we welcome the change.

In the past, the Japan-U.S. summit held in Washington was criticized as a regularly held ceremony. The summit held by leaders of the world's first and second economic powers is significant, however. The question is what results the summit produces. To our regret, it is true that the Japan-U.S. summits have produced rather negative results in recent years. The Miyazawa-Clinton summit in April 1993 shortly after the Clinton administration was inaugurated gave the impression of a soured personal relationship between them. The Hosokawa-Clinton summit in February 1994 was marred by Hosokawa's embarrassing remark describing Japan-U.S. relations as an "adult relationship in which Japan can say no to the United States." The summit ended in the breaking off of Japan-U.S. economic framework talks.

President Clinton's policy of attaching importance to economic issues was responsible for disrupting both Japan-U.S. summits and his diplomatic attitude toward Japan has been under attack in the United States. The President's attitude at the latest Japan-U.S. summit was markedly different from previous Japan-U.S. summits.

There are three factors in the Clinton administration's changed stance on Japan. First, the United States, backed by a robust economy, has regained its self-confidence. Second, the Republican Party, which upholds the principle of free trade, took control of Congress. Third, the Clinton administration has grown weary of fruitless economic negotiations with Japan. Nevertheless, these factors do not immediately open bright prospects for Japan-U.S. relations.

The results of various recent public opinion polls have pointed to a decline in the number of both Japanese and Americans who see each other's nations as trustworthy. This year, which marks the 50th anniversary of the end of World War II, will provide the best opportunity for both countries to think of how best to rebuild their relationship in the future. There are several points to which the two countries will have to pay attention.

First, it is difficult for a victorious power and a defeated nation to share identical historical views. It is hard for Japanese and Americans who actually participated in the war to have an objective historical view because of their experiences. Both Japanese and Americans do not need emotional reactions to each other's ceremonies marking the 50th anniversary of the end of World War II.

Second, both Japan and the United States should have many common goals. For example, it is important that the two countries take concerted steps to resolve the issue of North Korea's suspected nuclear development from the standpoint of keeping nuclear weapons from proliferating in the world and maintaining security in east Asia.

Third, both Japan and the United States need to redefine their security arrangements, which have been one of the foundations of their post-war relations. In economic

relations, we believe that they will have to study ways to create a framework for constructive bilateral negotiations.

With the 50th anniversary of the Japanese surprise attack on Pearl Harbor as an impetus, both Japan and the United States issued the "Tokyo Declaration" when former President Bush visited Japan in January 1992: the declaration called for redefining post-war Japan-U.S. relations and creating a framework for constructive bilateral negotiations. The two countries have forgotten the declaration, however, because of their changed political situation. The two countries will sign a similar document when President Clinton visits Japan this fall. The reaffirmation of the importance of Japan-U.S. relations by the leaders of both countries will be a plus for the two countries.

ASAHI SHIMBUN: 'Fruitless' Summit

OW1501030795 Tokyo ASAHI SHIMBUN in Japanese
13 Jan 95 Morning Edition p 1

[Editorial by Yoichi Funabashi, chief of the ASAHI SHIMBUN American Bureau: "'Self-Invited Visit to U.S.' Proves Unfruitful; Japan Not Certain About Direction of Diplomacy"]

[FBIS Translated Text] It was an apple-flavored Japan-U.S. summit meeting. This week, U.S.-produced apples. Red Delicious and Golden Delicious, have started to appear on the shelves of Japan's grocery stores. While Prime Minister Murayama was in the United States this was being reported on the television and radio of that country, thus contributing to the image that Japan is a country opening up its markets. President Clinton, in a joint news conference with Prime Minister Murayama, took note of this by presenting Murayama with a basket of apples produced in the state of Washington.

The summit itself, however, was cut and dried. One felt it was an occasion for both parties to only say what must be said—covering the so-called "talking points" [preceding two words published in English]—in the limited time available. Japan reiterated its position that the 50th anniversary of the end of World War II "should pass quietly." The United States once again called for Japan to make contributions toward stopping North Korea's (DPRK) nuclear threats and toward helping the country build light-water nuclear reactors. Japan talked about the need for Japan and the United States to cooperate on the global environment, population, and AIDS issues, and then the United States repeated that what is most important is for Japan to address the problem of the Japan-U.S. trade imbalance and to open up its markets.

It is not that they were running on parallel lines, never to meet; nor were they altogether indifferent. But one must say it was not exactly business-like either. Nor was it a revelation of a "relationship of adults." This description may not sound too pleasant, but I must say both parties were ill from reikansho [disease which makes patients

feel cold regardless of room temperatures]. Both parties may have wanted to recall the good old days of the past, the old days of the Cold War when the "two countries' relations were more important than relations with any other country" (to quote former U.S. Ambassador to Japan Mansfield), but things did not go so well.

But within the U.S. Government there are now growing voices saying Japan-U.S. relations should be put back on the right track. Given that, we may be able to say this summit was effective at least in one respect.

"When the summit meeting was held a year ago between Morihiro Hosokawa and Bill Clinton after the Japan-U.S. economic framework talks had just broken down, we were worried about what would happen next. We are glad the situation has improved to what it is now," said a senior White House official following this summit.

But the United States cannot hide its disappointment about the prime minister failing to present specific plans on financial contributions for the construction of nuclear reactors in North Korea. One U.S. Government official said: "At the time of Secretary of State Warren Christopher's meeting with Foreign Minister Yohei Kono in Jakarta (in November), he told Kono that if Japan wanted to set Murayama's visit to the United States for January, he hoped Murayama would bring a specific plan for financial contributions. Hence, we are disappointed."

The U.S. officials, to begin with, feel that this summit "has almost been steam rolled on to them." Japan decided that Murayama's visit to the United States should be the beginning of a year of diplomatic activities leading up to the Asian-Pacific Economic Conference (APEC) forum in Japan in November, and succeeded in "having Murayama self-invited to the United States." One could see Japan was more concerned about the form than the substance.

Japan's diplomatic officials have touted Japan's "adult relations" with the United States, and have told Asian countries it considered Asia very important. But apparently they were uneasy—unsure if they should really say these things. That is why, even though the United States was perplexed by Murayama's "self-invited visit," they were desperate to get the visit realized and to reconfirm the ties of Japan and the United States.

A senior White House official said: "All this is happening because the Japanese and U.S. Governments have stopped coming to talk to each other for the past several years. There has been no real dialogue. There has been a problem with the United States too." It is also true that in the process of political reform and changes in Japan, the self-conceited attitude and narrow-minded power grabbing of the bureaucrats have surfaced, thus causing a loss of respect for them from many Americans who thought they knew Japan so well.

Referring to the words of a Japanese diplomat quoted in a report in the WASHINGTON POST, an American

diplomat was angry, saying: "Since when have the Japanese diplomats become so impudent?" In briefing reporters on Prime Minister Murayama's planned meeting with Newt Gingrich, speaker of the House of Representatives, the Japanese diplomat was quoted as saying: "He [Murayama] will see another man. Who was that—that leader on the side of the Democratic Party?" The American diplomat asserted: "That is nothing more than an insult to Congressman Gephardt. Do all Japanese treat with disdain those people who have left power?"

In order to make the "50th year after the end of war" a year of meaningful understanding for Japan and the United States, as well as a year of new beginnings for them, it is necessary for both parties to work together intelligently and to have mutual respect. The summit ended without being able to take even a first step toward doing this.

'Creative Partnership' Questioned

OW1601015795 Tokyo MAINICHI SHIMBUN in
Japanese 13 Jan 95 Morning Edition p 5

[Editorial: "What Does 'Creative Partnership' Mean?"]

[FBIS Translated Text] A dictionary says "create" is "to make something new." Whereas Prime Minister Tomiichi Murayama employed the catch phrase "creative partnership" in his talks with President Bill Clinton, reports from Washington suggest nothing "creative" emanating from their meeting held on 11 January. Actually, our premier was merely following the scenario drawn up by the Secretariat in advance over all agenda items—security, trade, and the Korean nuclear issue—and we could not find any new ideas presented by Prime Minister Murayama in the talks. It is no wonder that the U.S. media largely ignored Murayama's visit.

Just before the premier's arrival, Winston Lord, assistant secretary of state for east Asian and Pacific affairs, told a press conference that the visit represented a traditional Japanese practice in which the Japanese prime minister calls on Washington as soon as possible after taking office. Such a traditional practice is ironically called "sankin kotai" [a rule of the Tokugawa Shogunate (1603-1867), whereby territorial lords were required to pay a regular visit to Edo, now Tokyo]. Judging from such remarks by the assistant secretary, we can say that Washington could not have expected anything creative from the visiting Japanese prime minister.

But it is not fair to criticize Murayama alone. In the past, every time a Japanese prime minister visited the United States they emphasized a "new partnership" and made new promises, most of which were virtually scrapped with power changes. It has been two years since the inauguration of the Clinton government. Meanwhile, Japan has seen four prime ministers. It is understandable if the President, seeing such frequent power changes in

Japan, had thought that he could not take the Japanese prime ministers' visit seriously.

President Clinton, for his part, is faced with difficulties in the wake of a defeat in last autumn's midterm election that led to the weakening of his influence in Congress. Congress has just reconvened, and President Clinton is facing a crucial situation. He must be concerned over the war in Chechnya, which might destroy the foundation of his friend Russian President Yeltsin. An economic crisis facing Mexico may worry him more. It is no wonder that U.S. reporters' questions at a joint press conference focused on those issues.

Why on earth did Murayama go to Washington at such an awkward time? It is reported that the prime minister was reluctant to visit the United States. His visit was arranged by the Foreign Ministry, and the prime minister is under the Foreign Ministry's thumb. But we wonder why bureaucrats of the Foreign Ministry persisted in sending our prime minister to Washington.

If we consider the lackluster bilateral summit talks along with the active diplomatic exchanges at the secretariat level which have been taking place over the past few months between Tokyo and Washington, a certain scenario emerges: A qualitative change in the bilateral security arrangement.

At the talks, Murayama remarked to Clinton that "the Japan-U.S. Security Treaty is vital in maintaining stability and order in Asia and the Pacific," and he also stressed the importance of the arrangement at the joint press conference. As the premier is well aware that a review of the Security Treaty has been continuing between the secretariat of the two governments, he is compelled to answer the question about the possible relationship between the redefinition of the treaty and "stability and order in Asia and the Pacific."

Article 6 of the treaty limits the use of U.S. military bases in this country to "the purpose of contributing to the security of Japan and the maintenance of international peace and security in the Far East." This article is what is called the "Far East Article." Until recently, the Social Democratic Party of Japan (SDPJ), to which Prime Minister Murayama belongs, has challenged the government to debate the interpretation of Article 6.

There must be some relation between the prime minister's remarks linking the Japan-U.S. security arrangement with stability and order in Asia and the Pacific on the one hand, and the government's interpretation of the "Far East Article" on the other. Does the government want to change the "Far East Article" to the "Asia-Pacific Article," or eventually recognize the current article as the "Asia-Pacific" article in one way or another as planned by the secretariat?

The Foreign Ministry has reportedly begun to draft a new declaration aimed at enlarging the scope of the treaty.

It is not yet clear how well Murayama was informed of the behind-the-scenes developments when he made his remark on the security arrangement. But this is a serious issue that affects the keynote of our nation's diplomacy. We hope that the prime minister's "creative partnership" does not mean beefing up the current security arrangement.

U.S. Criticized for Ignoring Free Trade Principle

OW170111795 Tokyo NIHON KEIZAI SHIMBUN in Japanese 16 Jan 95 Morning Edition p 2

[FBIS Translated Text] What has happened lately to the U.S. idea of "free trade"? We have difficulty, in particular, in understanding the U.S. approach to two matters involving Japan. One is the U.S. Government's obvious intervention in the labor-management strife at Bridgestone Firestone Inc. (BFS), a subsidiary company of Japan's Bridgestone Corporation in the United States. The other is the U.S. Government's preparations to provide "administrative guidance" directly to Japanese automakers in a bid to expand their self-imposed procurement plan for foreign-made autoparts. The United States intends to do so independently of Japan-U.S. government-level negotiations which are due to resume soon.

Both actions involve administrative guidance for private companies. However, in the case of autoparts procurement, the guidance is being applied outside their own territory. We cannot understand and are deeply disappointed that the United States has taken actions that run counter to the spirit of the World Trade Organization (WTO), especially now that the WTO has become operational as a result of U.S. efforts.

These cases were mentioned at the recent Japan-U.S. summit talks, which alluded to the existence of political intervention.

We were not only disappointed by the fruitless summit talks, with their hollow-sounding talk of "global partnership" and the "most important relations in the world," but also dissatisfied by the U.S. approach to each pending issue, and at the development of discussion.

Speaking about the industrial problems at BFS at a news conference held on 10 January, the day before the summit talks, U.S. Secretary of Labor Robert Reich said that he was "outraged" by the response of BFS management, which had "refused his proposal to mediate the conflict." At a luncheon meeting on 11 January with the leaders of the two countries, it is reported that U.S. Trade Representative Mickey Kantor referred to the same problem, and made clear to Japanese officials his concern over the approach of BFS.

Would the United States expect the Japanese Government to provide administrative guidance to U.S. subsidiaries of Japanese companies? Although Reich said he had proposed "mediation," it is reported the labor secretary has shown his clear-cut support for the labor

union. It is very rare that the U.S. Government and a labor union jointly intervene in a labor-management conflict at a private company.

It is said that the United Rubber Workers (URW), which has been giving instructions to the BFS workers on strike, is an important support base for the Clinton administration. In considering the fact that there seems to be currently only a slim possibility of Clinton winning reelection, and that the ruling Democratic Party is the minority on Congress, we cannot help detect the influence of political intervention on this issue.

Meanwhile, the United States is urging Japanese automakers to extend the period of their self-imposed purchase plan for U.S.-made autoparts, which is due to expire at the end of March, and to increase the procurement amount set under the plan. The Japanese Government has refused government-level talks on the issue, saying "this issue goes beyond the authority of governments." However, the U.S. Government is planning to directly negotiate with Japanese automakers. It is an odd situation.

It is not merely strange from the standpoint of free trade and a free economy. Many countries are anxious about the possibility of Japan accepting such demands, and the United States then seeking to settle bilateral problems with them in the same way. There is also a fear that if Japan is forced to increase imports from the United States, it will eventually restrain imports from other countries.

Article on Building Better U.S. Relations

OW1701140195 Tokyo NIHON KEIZAI SHIMBUN in Japanese 13 Jan 95 Morning Edition p 1

[By editorial staff member Yasuhiro Tase: "Japan, U.S. Urged to Construct Relations From Broad Perspectives"]

[FBIS Translated Text] "Peace is accompanied by prosperity. But, there can be no peace without prosperity. The Japanese economy, which was demolished to its foundations, was saved by the tremendous support of the United States and we were able to walk toward economic recovery. We are determined to make contributions to the world economy while observing international trade practices on our own accord." This is a part of a speech that chief delegate (prime minister) Shigeru Yoshida made at the San Francisco Peace Conference on 7 September 1951.

Dangerous 'Apathy'

NIHON KEIZAI SHIMBUN carried a report at the time compiled by correspondent Onoki which said the prime minister "forcefully explained Japan's stand and hopes, and everyone in the audience listened closely." From this moment, Japan started relations as an independent nation with the United States.

Japan's miraculous comeback and its construction of a peaceful society could not have been realized without help from the United States. The victorious nation and the defeated nation established a historically unprecedented bilateral relationship of alliance in a very short period of time, thanks to the keen insight of Japanese and American leaders who decided, despite much opposition, to conclude a single-peace treaty and the Japan-U.S. Security Treaty.

Immediately after the peace treaty was concluded, John Foster Dulles, who later became a secretary of state, wrote in a report published in FOREIGN AFFAIRS: "Its spirit is to eradicate the vicious cycle (which drives defeated nations to revenge)—or the cycle of war, victory, peace, and war again. However, we are not certain if this intended result will be realized."

Forty-odd years have passed since the Dulles report was published and his hopes for peace between the two countries have been realized. Japan and the United States did build a close relationship in every field, and ties between the two countries literally became "the most important bilateral relationship in the world." Many people, however, are beginning to forget the importance of this relationship.

Long periods of economic friction have hardened the hearts of the people in both countries. The frictions are driving bilateral relations into the most dangerous state of despair—"apathy."

The Murayama-Clinton meeting was the 63rd Japan-U.S. summit meeting since Prime Minister Yoshida and President Truman met in San Francisco. The biggest news at the Japan-U.S. summit meeting—which was organized under the auspices of the Ministry of Foreign Affairs (MOFA) as if it was trying to ignore the growing number of doubters saying: "What is he going to the United States for at such a critical time?"—was about American apples, which went on sale in Japanese stores immediately before Prime Minister Murayama left for the United States.

According to the WASHINGTON POST both leaders reportedly "stressed the need to promote Japan-U.S. cooperation on a global scale in security areas by overcoming trade problems." This is all very well, but, as diplomatic authorities planned beforehand, we heard nothing at all about serious exchanges of opinions between the two leaders.

It was said that the main purpose of Murayama's trip to the United States was to "expand private relations built on trust between the two leaders in this important year, which marks the 50th anniversary of the end of World War II." This is the phrase MOFA used in persuading the prime minister, who is not good at diplomacy, to go to the United States despite feeling unwell.

Gratitude Was Not Conveyed to American People

As had been carefully included in the draft of his speech, the prime minister expressed his gratitude to the president for the generous support given to Japan since World

War II. However, the message delivered by the prime minister on behalf of the Japanese people was not properly conveyed to the American people. Probably because of his age, and the fact that he was recovering from a cold, the prime minister's schedule was considerably lighter than usual.

We do not blame him for that. But we are certain there are many ways he could have expressed his gratitude more effectively if he had really wanted to do that. Many foreign leaders have spoken to the U.S. Congress and impressed the American people. The prime minister could have appeared on television or made a speech at the National Press Club.

There is no doubt that a television appearance or a speech at the National Press Club would have been far more meaningful than a visit to the Lincoln Memorial. He visited there simply because he resembles President Lincoln facially. It is regrettable that the summit meeting, which was held in this critical year marking the 50th anniversary of the end of World War II, ended as a "small diplomatic event." There is a temptation to suspect that MOFA probably tried as much as possible to stop the prime minister, who is virtually a layman in the field of diplomacy, from making public appearances.

Diplomacy is like relations between people. It is not diplomacy if you cannot candidly say 'thank you' to people who have shown many kindnesses to you. In April 1951, when Supreme Commander Douglas MacArthur was discharged, there was a debate over whether or not the emperor should meet the outgoing commander to bid him farewell. Opposition groups said that it was not right for the emperor to visit him. But Prime Minister Yoshida persuaded the opposition groups by saying: "We should make no bones about such a thing," and the Showa emperor went to the U.S. Embassy.

Wise Diplomacy Needed

Is that not what diplomacy is all about? In postwar diplomacy, Japan has had to do nothing but follow the United States. It has walked half a step behind the United States and acted, after seeing what pleased the United States, in the same way. However, the post-Cold War international situation no longer allows Japan do that.

Japan has to think by itself and say things in its own words. If it fails to do this, other countries will take no notice of it. As Japan has pledged not to join the military power game again, it must promote wise diplomacy. The time has now come for Japan to give up its passive stance of the past and create, instead, active relations with the United States.

We have to be more serious than before and ask ourselves why the Japan-U.S. relations are important. The time is ripe for us to do that.

Prospects for Auto Talks With U.S. Indicated

OW1601033095 Tokyo SANKEI SHIMBUN in Japanese 13 Jan 95 Morning Edition p 11

[Unattributed article: "Will Friction Flare Up Again Between Tokyo and Washington Over Auto Parts?"]

[FBIS Translated Text] In late January, Japan and the United States will resume the stalled negotiations on automobiles and auto parts under the Japan-U.S. economic framework talks. At the latest Japan-U.S. summit, President Clinton, referring to the negotiations, pointed out that "automobiles and auto parts make up three-quarters of the U.S. trade deficit with Japan." In this way, the President indicated that the trade imbalance in automobiles and auto parts will be a major pending issue between the two countries. It is said that the negotiations will enter a crucial phase at the end of March, when the Japanese Government finishes mapping out a package of deregulatory measures, and the voluntary plan for the purchase of American-made auto parts by Japanese automakers expires. There is a lingering concern that, depending Japan's responses to U.S. demands, the trade friction could intensify between the two countries.

Commenting on the latest Japan-U.S. summit, the Ministry of International Trade and Industry [MITI] says, "With regard to the resumption of the negotiations on automobiles and auto parts, the U.S. stance on Japan was relatively soft because the United States had accepted Japan's assertion that some matters were out of the government's reach and the setting of any numerical targets should be excluded from discussions in the negotiations," (according to the MITI's International Trade Policy Bureau). The Clinton administration, struggling for Clinton's reelection, is under pressure from the American auto parts industry to strongly demand that Japanese automakers draw up another voluntary plan for their purchase of American-made auto parts that exceeds in size the present voluntary plan that will expire at the end of March.

Commerce Undersecretary Garten has made it clear that he will visit Japan in February to press top managers of Japanese automakers for the another voluntary plan.

MITI, on the surface, is refraining from intervening in the question of drawing up another voluntary plan. Yet Ryutaro Hashimoto, minister of international trade and industry, has remarked, "If Japanese automakers are treated unfairly, we will strongly protest to the U.S. Government." It is concerned that if the question is not smoothly resolved, it would result in creating a new rift between the Governments of Japan and the United States.

The United States listed Japan as a nation engaged in unfair trade practices regarding auto parts at the end of September under the Super 301 Provision. Nonetheless, it remains unclear how the relaxation of regulations on auto parts will bring about results.

The Foreign Ministry and MITI plan to incorporate bold deregulatory measures in a five-year plan for the relaxation of regulations that the Japanese Government unveils at the end of March as its international commitment. Yet the Ministry of Transport and the auto repair industry are strongly reacting against the two ministries' plan.

A senior official at MITI's International Trade Policy Bureau says, "If Japan fails to announce a bold package of deregulatory measures, this would inevitably lead the United States to take a hard-line stance on Japan." Japan's failure to unveil a bold package of deregulatory measures would provoke the United States to resort to the Super 301 Provision for sanctions against Japan.

The next vice ministerial talks will be held after Yoshihiro Sakamoto, deputy minister of international trade and industry, visits the United States in late January for talks with Commerce Undersecretary Garten. But many take the view that, under present circumstances, the two countries are unlikely to put forth any compromise proposals for an early conclusion of the negotiations. There is also a possibility that the negotiations will hit a snag again.

Slow Progress Anticipated

OW1601041895 Tokyo TOKYO SHIMBUN in Japanese 13 Jan 95 Morning Edition p 7

[FBIS Translated Text] One of main topics discussed during the recent Japan-U.S. summit was the auto issue. In connection with this, Tomio Tsutsumi, administrative vice minister of international trade and industry, said: "No change has been made in the prerequisites and framework the two countries have agreed to for the resumption of auto talks." His remark indicates that the Japanese Government will discuss with the United States only issues within governmental control.

The focus of the auto talks will be deregulation in the Japanese replacement parts market. Japan and the United States have agreed to resume stalled auto talks at the end of this month by holding a vice ministerial-level meeting. In assessing prospects for the talks, Michihiko Matsuo, administrative vice minister of transport, said: "The two sides will only make out a plan to promote the auto talks (in the first round of the resumed talks). Thus, it is unlikely that tangible, rapid progress will be made. The talks will be followed by a meeting of experts, in which technical matters will be discussed."

The Transport Ministry plans to ease regulations on the size of land and equipment needed for obtaining government approval to run maintenance shops when the revised law on land transportation and vehicles takes effect in July. The most contentious point in the talks with the United States will be issues concerning key safety parts. The United States demanded in negotiations held until last October that Japan abolish the category of key safety parts.

Tokyo rejected the demand, claiming that the abolition of the category may lead to the abolition of Japan's car inspection system. Because of this, the auto talks ruptured. In Japan, the replacement of key safety parts requires government inspection. Concerning whether or not Japan and the United States will be able to make mutual concessions on the reduction of key safety parts, Matsuo said: "We will know after talks with the United States."

U.S. Call for New Purchase Rejected

OW1501141695 Tokyo MAINICHI SHIMBUN in Japanese 14 Jan 95 Morning Edition p 9

[FBIS Translated Text] Remarks by U.S. Ambassador to Japan Mondale that "things will get serious if Japanese auto manufacturers fail to increase their planned purchases of [U.S.] auto parts by March" are sending ripples through the Ministry of International Trade and Industry [MITI] and auto companies. On the grounds that "the ambassador's true intention is unclear" (according to a senior MITI official), the government intends to observe what actions the U.S. Government will take. However, some officials have expressed concern over the possibility that "negotiations on the auto and auto parts sector will be ruined if the U.S. Government takes a hard-line stand while waving sanctions before our eyes."

At his meeting held in London late last year with (then) MITI Deputy Vice Minister Sozaburo Okamatsu, U.S. Under Secretary of Commerce Garten proposed that "we want to talk directly with Japanese automakers about their voluntary purchase plan." In response, MITI Minister Ryutaro Hashimoto told a New Year news conference that "I am not going to ask the U.S. side not to talk to the automakers, but it should not force them to expand their procurement plans," thus making it perfectly clear that the U.S. Government should not take a forcible attitude.

"Talks" between the U.S. Government and Japanese automakers are scheduled to begin on 19 January with a meeting between the U.S. ambassador and Tatsuro Toyoda, chairman of the Japan Automobile Manufacturers Association [JAMA], Inc. However, the JAMA maintains: "The meeting is just an opportunity to offer our new year's greetings. If the talks are intended for discussing a possible increase in our purchase of auto parts, we will reject the talks." However, because the ambassador's remarks reflect Washington's stand of attaching importance to the auto parts issue, the overall talks, including negotiations on the deregulation of spare parts under the economic framework talks, are expected to face rough going.

Article on U.S. Reviewing Japan Policy

OW1301163795 Tokyo ASASHI SHIMBUN in Japanese 10 Jan 94 Morning Edition p 5

[By Washington Bureau Chief Yoichi Funabashi: "U.S. Reviewing Japan Policy"—from the "Opinion, Commentary" column]

[FBIS Translated Text] Unlike the fever of former Prime Minister Morihiro Hosokawa's U.S. visit a year ago, the U.S. public is showing almost no interest in Prime Minister Tomiichi Murayama's trip to Washington.

The U.S. Government is also taking a cool attitude toward Murayama, noting: "We would like to receive him in a realistic manner, rather than having too many expectations" (as noted by a high-ranking State Department official).

In formal occasions, U.S. policymakers unanimously say: "There will be no drastic changes in our Japan policy since we are always focusing on trade and economic ties with Japan." However, it appears the Clinton administration's Japan policy has already been found defective despite its criticism of policies by the former Bush administration, and the administration is again reviewing its strategies for dealing with Japan.

Seeking 'Security After Cold War'

The United States is reviewing its Japan policies in view of a Japan-U.S. framework talks's violation, Asia's rapid economic growth, the DPRK's nuclear weapons development, China's growing influence, and political confusion both in Japan and the United States. However, it is still uncertain what will be the new U.S. policy.

In the U.S. Government, Joseph Nye, assistant secretary of defense (for international security), is taking positive actions to work out a new Japan policy. His move has been called the "Nye initiative" among U.S. officials.

Nye said the Japan-U.S. security framework should be "re-defined" to catch up with changes in the international situation following the Cold War. He noted that, to achieve the objective, the Japan-U.S. security alliance's function as a balancing mechanism to stabilize the Asian situation should be more clarified, calling for further bilateral cooperation in such fields as UN peace-keeping operations and defense technology.

He particularly showed deep interests in bilateral cooperation in UN operations, saying: "Japan completed humanitarian assistance operations in Goma fairly well. I wish for deepened Japan-U.S. cooperation in the future to cope with global problems."

Defense Department officials are irritated with the Clinton administration's Japan policy, which leans excessively toward the economic subject. So, they welcome the government's attempt to revise its Japan policy, noting: "The government is finally focusing on non-economic fields" (as noted by a high-ranking Defense Department official).

However, Japan's Murayama administration has allergic reactions to the UN cooperation issue. U.S. policymakers also think public demand for the drawdown of U.S. bases "may become a big political issue under Japan's new election system" (as noted by a policymaker in charge of Japanese affairs).

The United States wants to bring up the DPRK nuclear issue during the upcoming Japan-U.S. summit talks. That topic includes Japan-U.S.-ROK cooperation for the abolition of the DPRK's nuclear facilities and assistance to construction of new facilities, and, in the process, the United States wants to establish a new security framework in Northeast Asia. In connection with this, a senior State Department official said: "We are concerned about Japan's stance on this issue. Japan's contribution may give an impression of 'too little, too late' just like during the Gulf war."

Relations between Japan and the United States have made almost no progress since the Clinton administration's inauguration, due to difficulties in settling the so-called economic framework talks. Even U.S. Government officials are questioning recent developments in bilateral ties. Undersecretary of Commerce Jeffrey Garten recently said: "We had better make the most of multilateral economic diplomacy to improve relations with Japan, rather than sticking to antagonism in bilateral negotiations."

In reaction to the World Trade Organization's (WTO) inauguration, the U.S. Government is attaching importance to reinforcement of multilateral trade systems. Garten recently told reporters it is important that Japan and the United States join forces to strengthen the WTO. He also noted: "The two nation should cooperate in such fields as implementation of the Uruguay Round's achievements, environment and labor problems, and the compilation of rules to run the dispute settling mechanism."

While the U.S. Government is aware of the importance of multilateral trade mechanisms, concerned agencies still want to keep channels for bilateral negotiations with Japan open. Bowman Cutter, special assistant to the President, in an internal meeting of government leaders, showed his distrust toward Japan, saying "Japan's proposal for multilateral trade talks is probably aimed at checking bilateral negotiations."

In View of APEC

The United States has begun to lean toward multilateralism. This is probably linked to the nation's strategy for the Asia-Pacific region. The United States is seeking strengthened cooperation with Japan in the Asian-Pacific Economic Cooperation (APEC) ministerial conference, and, at the same time, it intends to use APEC to jointly apply pressure on Japan for market liberalization.

As a touch stone, the United States plans to propose a blueprint for liberalization of intra-regional trade and investments during the APEC Osaka conference scheduled for November. But the United States is irritated with Japan's prudent attitudes toward Japan-U.S. cooperation in APEC. U.S. officials cannot dispel the doubt that "Japan's real intention may be a shift of its focus from the United States to Asia" (as noted by a high-ranking White House official). The U.S. Government is

beginning to attach importance to Asia policy; however, its present stance toward Japan is still far from the proposal in the "Reconsideration of Japan Policy" report by the Carnegie International Peace Foundation, which advocates "closer cooperation with Japan to catch up with the great changes in Asia, with an eye on Japan's prominent roles in Asia."

U.S. policy on Japan also depends on Japan's courses of action. When the United States thinks Japan is an obstacle to its approach to Asia, it will feel tempted to establish a "bypass" to Asia, or even a "containment operation" against Japan.

Another pending issue is that both Japan and the United States must readjust their relations with China, which is growing into a new superpower.

The Nye initiative is partly based on a U.S. intention to upgrade relations with Japan in preparation for China's development into a super power. A high-ranking Defense Department official noted: "It is important for Japan and the United States to jointly build a security balance with developing China. At the same time, the two countries should support China's participation in regional security frameworks so that China can be a good member of the community. The two strategies should be promoted together."

Nye believes international mechanisms are presently stable because alliances in the 20th Century are less fragile than those in the 19th Century. In this sense, the strategic standpoint of the United States does not allow Japan to shift its focus of diplomatic policy (to an alliance with China, for example).

In the economic field, new frictions with China "may affect U.S. relations with Japan if the United States condemns the unfair trade practices of China and Japan in a wholesale manner" (as noted by a high-ranking U.S. Government official). U.S. trade deficits against China are growing much faster than those against Japan, and this is becoming a serious political problem in the United States.

Some quarters in the U.S. Government are afraid "Japan may seek closer ties with China someday to obtain bargaining power in negotiations with the United States" (as noted by a high-ranking White House official). Even without such concerns, Garten said: "Japan makes no complaints of China's violation of intellectual property rights. As a result, China says that only the United States complains about that." He stressed "Japan-U.S. cooperation is becoming indispensable in enforcing trade rules on China."

Kickback of Failing 'Reform'

During the previous summit talks in 1994, both Japanese and U.S. leaders advocated "reform" as the magic word to establish new directions for bilateral relations. They were aware of the need for political and economic reform to comply with public demands for the review of

outdated ideologies, policy precedence, political environment, and economic and social systems. The Hosokawa administration collapsed at the starting point of the reform initiative, and the Clinton administrations is also failing in its reform process.

As a kickback of the failing reform, Republicans are challenging the Clinton administration following their victory in the mid-term election last November.

Richard Bush, a House staff member in charge of diplomatic affairs, said: "Almost 50 percent of the representatives were born after WWII. They spent their teen-age days during the Vietnam war, and obtained House seats after the Cold War. They tend to take cool attitudes toward the United Nations and other international mechanisms, and they will unilaterally intervene in the decision-making process of those international mechanisms only when U.S. interests are involved. The United States is probably leaning toward introverted policies just as it did in the wake of WWI."

Republicans are seeking the destruction of the "FDR (Franklin Delano Roosevelt) welfare state doctrine," which has been driving the nation for over 50 years, but "such a "national restructuring" plan is unlikely to be successful. No matter what the Republicans' course of action, the United States is likely to experience political confusion in the coming several years. And that will certainly affect relations with Japan.

In the beginning of the 20th Century, the balance-oriented diplomatic policy of the United States was replaced with the moralistic diplomacy of former President Woodrow Wilson, and then that was changed to international isolationism. In the process, Japan, in the prewar period, could not construct a stable framework for relations with the United States due to a failure in understanding changes in U.S. policy trends.

It appears that the political trends of the United States are beginning to again seek excessive interference and isolation. Japan should keep an eye on changes in U.S. political scenes.

Foreign Ministry: Yen Loans to Iran To Continue

OW1701060795 Tokyo MAINICHI SHIMBUN in Japanese 16 Jan 95 Morning Edition p 3

[FBIS Translated Text] The Ministry of Foreign Affairs [MOFA] firmed up on 15 January its plan to continue providing yen-based loans to Iran, and it will soon decide on providing approximately 46 billion yen. The United States has requested that such yen-based loans be suspended, claiming that Iran is supporting Islamic fundamentalist organizations. However, the MOFA has decided to stick to its own line, maintaining that "loans cannot be suspended unless there is unmistakable evidence that Iran is involved in terrorism," (as stated by a senior MOFA official).

Murayama Wants To Scale Down U.S. Military*OW1701045995 Tokyo KYODO in English 0450 GMT
17 Jan 95*

[FBIS Transcribed Text] Tokyo, Jan. 17 KYODO—Prime Minister Tomiichi Murayama said Tuesday [17 January] the government must make efforts to scale back the U.S. military presence in Okinawa, including the return of the U.S. naval base in Naha, government officials said.

"I hope efforts will be made in view of residents' requests and in accordance with the U.S.-Japan Security Treaty," Murayama was quoted as telling Foreign Minister Yohei Kono and Defense Agency Director General Tokuichiro Tamazawa after a cabinet meeting.

As two other targets, Murayama cited the return of a supplementary airport for U.S. Forces in Yomitan, Okinawa Prefecture, and a halt to U.S. shooting drills on a firing range that crosses a prefectural highway, the officials said.

"U.S. bases are still concentrated in Okinawa and there is a restraint on the use of land, so there is a need to liquidate and scale them back," Murayama was quoted as telling them.

Kono and Tamazawa told Murayama that they will make utmost efforts, but Tamazawa singled out the most difficult problem as being the provision of alternative sites, the officials said.

Under an agreement with Washington on the status of U.S. troops in Japan, Tokyo provides facilities and land for U.S. military personnel stationed in Japan. There are about 40,000 U.S. troops in Japan under the security pact.

Meanwhile, U.S. Gen. John Shalikashvili, chairman of the joint chiefs of staff, told Tamazawa that the U.S. will do its best as a neighbor to improve the roots of dissatisfaction with the people in Okinawa over the bases.

Shalikashvili added, however, that at the same time North Korea still poses a threat with its conventional military despite an agreement with Pyongyang last fall to dismantle its suspected nuclear arms program.

He stressed that the U.S. military bases in Japan are important to counter that threat.

Also meeting the U.S. General, Murayama expressed hopes for a resolution to the Okinawa issue through bilateral dialogue as he and U.S. President Bill Clinton agreed at Washington summit talks last week, government officials said.

The officials said Shalikashvili reiterated his positive stance while Murayama vowed that Japan would continue meeting its financial commitments for U.S. bases.

Meanwhile, the premier met with Okinawa Gov. Masahide Ota at his official office in Tokyo, asking for the prefecture's support for the "maximum efforts" being exerted by the national government, other officials said.

They noted that Ota expressed appreciation to Murayama for talking Clinton into promising a resolution of the Okinawa issue.

"We want to change (Okinawa's) dark image of being an island of military bases to an image of a cultural prefecture," Ota was quoted as saying.

Kono Reacts to Clinton's Remarks on Okinawa Base*OW1601041795 Tokyo ASAHI SHIMBUN in Japanese
14 Jan 95 Morning Edition p 2*

[FBIS Translated Text] At the latest Japan-U.S. summit, President Clinton expressed his intention to resolve the issue of streamlining and integrating U.S. military bases on Okinawa, including the return of Naha Military Port. Commenting on the President's statement at a news conference held on the afternoon of 13 January, Yohei Kono, deputy prime minister and foreign minister, said: "There are a lot of sticky problems, and we will have to do everything we can do to come to grips with the issue." In this way, the foreign minister said that the government will take vigorous measures toward a solution to the issue.

According to the Defense Facilities Administration Agency, the Governments of Japan and the United States have set up a task force and the task force has already begun to study ways to have Naha Military Port and Yomitan Auxiliary Airfield returned.

Daily Reacts to Clinton Remarks on U.S. Bases*OW1301060595 Naha RYUKYU SHIMPO in Japanese
13 Jan 95 Morning Edition p 3*

[Article by political and economic reporter Yoshikazu Shiohira, part one of the series entitled "Beginning of a Solution: The Japan-U.S. Summit Agreement on Bases in Okinawa": "Epoch Making Remark by the President"]

[FBIS Translated Text] At the Japan-U.S. summit meeting on 11 January, President Bill Clinton made the unprecedented statement that he had "ordered that efforts be made toward the reorganization and consolidation [of U.S. bases]" in connection with the return of the Naha Military Port, and two other specific issues. It is extremely unusual for a U.S. President to mention the "reorganization and consolidation" of U.S. bases in Okinawa. This can be considered a symbolic event that illustrates the fact that the waves of changes in the international environment after the Cold War are beginning to sweep the bases in Okinawa. This series will look at the moves toward the solution of the three pending issues.

U.S. President Clinton said at the Japan-U.S. summit: "There are three important issues concerning the U.S. military bases in Okinawa. Defense authorities of both countries are exerting efforts in this regard. I have instructed Ambassador to Japan Walter Mondale to work toward reorganization and consolidation."

The three issues refer to three problems, the solution of which Okinawa Prefecture has designated as its major goals: return of the Naha Military Port and the Yomitan Auxiliary Airfield, and discontinuation of live firing exercises across the prefectural highway.

With regard to the U.S. military bases in Okinawa, then Prime Minister Eisaku Sato demanded the "reorganization and retrenchment" of the bases during his summit meeting with President Richard Nixon in January 1972. Nixon responded with the following ambiguous statement: "These factors will be fully taken into consideration in the process of coordinating the military facilities and sites in line with the Security Treaty after reversion." President Clinton's mentioning the three issues specifically is an unprecedented statement by a U.S. President.

Representatives of the prefectural government visited the United States twice during the Nishime administration and thrice during the Ota administration to lobby for the reorganization and retrenchment of the bases. What Clinton said at the summit is by no means a sudden occurrence, but the result of Okinawa's connections in the U.S. Congress built through its own diplomatic efforts, and of the negotiations it has conducted so far with the U.S. Government and military authorities. It is also an achievement made possible by the support of the coalition government of the Liberal Democratic Party, the Social Democratic Party of Japan and Sakigake [Harbinger].

On the afternoon of 11 January, after reports on what transpired at the Japan-U.S. summit talks reached Okinawa, Governor Ota told senior officials of the prefecture: "I am very happy that signs of a solution is beginning to be seen," expressing his pleasure. He immediately added, "Most of the 23 issues agreed upon at the Japan-U.S. Joint Committee (including the three issues mentioned) concern relocation. We are now faced with the choice of whether to take a 'all or nothing' approach—that is, to say no if all of our demands are not met—or to take a realistic approach even at expense of enduring some nuisance to resolve these issues." He indicated his determination to seek solutions to pending problems.

The above remark by the governor shows that he wants to search for solutions to relocation issues in the overall context of giving direction to regional development and urban planning in the prefecture.

Officially, leaders of the prefectural government maintain that "unless there is a relocation plan, the prefecture cannot deal with such issues." (according to Choko

Takayama, the governor's policy coordinator) In reality, some officials in the prefectural government hold the view that "it might be acceptable to adopt the strategy of asking for national appropriations to build an international commodity distribution base in exchange for relocating the military port to Makiminato temporarily."

Since last September, when negotiations were held during the visit of Noboru Hoshuyama, director general of the Defense Facilities Administration Agency, to Okinawa, top prefectural officials have sometimes been heard to mention a "realistic approach." In the future, if relocation plans are formally presented not only for the Naha Military Port, but also for the other two issues, a heated debate is expected between local governments chosen for relocation on the one hand, and the national and prefectural governments on the other.

Tokyo's Stand on Base Issues

OW1601031995 Naha RYUKYU SHIMPO in Japanese
14 Jan 95 Morning Edition p 3

[Article by Tokyo correspondent Taizan Hanashiro, part two of the series entitled "Beginning of a Solution: The Japan-U.S. Summit Agreement on Bases in Okinawa": "The Widely Publicized Three Major Military Base Issues"]

[FBIS Translated Text] Prime Minister Tomiichi Murayama met with Kosuke Uehara, vice chairman of the Social Democratic Party of Japan [SDPJ], at his official residence at Nagata Cho, Tokyo, on 23 December last year, when the government was busy renegotiating the FY95 budget. After Uehara urged Murayama's efforts to solve issues concerning the U.S. military bases on Okinawa, Murayama read reference materials prepared by Uehara, and said: "Okinawa has been faced with the base issues for a long 50 years since the end of World War II. These issues need to be settled in haste, while considering changes in the international situation, and Okinawan residents' feelings."

Uehara also visited Tokuchiro Tamazawa, director general of the Defense Agency, on 24 December, and Yohei Kono, minister of Foreign Affairs (and deputy prime minister), on 25 December to ask for their efforts in this matter. In the meeting, Kono showed his intention to take up these problems for discussion in his visit to the United States scheduled for early 1995, saying: "The prime minister has ordered me again and again to 'exert efforts to solve issues related to military bases.' I believe that the word "bases" mean those on Okinawa, and I have been seeking a step toward resolution."

Uehara's moves have prompted Okinawa Governor Masahide Ota to make an appeal to the Cabinet's Secretariat and the Ministry of Foreign Affairs [MOFA] in the beginning of the new year. On 9 January Uehara emphatically asked Deputy Chief Cabinet Secretary Hiroyuki Sonoda, who was due to accompany Murayama on his

visit to the United States, to do his utmost to "promote a solution to Okinawa's base issues."

These repeated requests have printed "Okinawa's three pending problems" on Murayama's mind. With the prime minister using the expression "three pending issues" more often, officials close to him were asking: "What are the three pending issues?" Lately, it is said that everyone knows what they are.

In the beginning of the Japan-U.S. summit talks, Murayama mostly repeated MOFA officials' remarks. However, as soon as President Clinton touched on the base issue, Murayama burst into his own words: "I myself have an interest in Okinawa's base issue. I would like to call for your cooperation in reorganizing and retrenching the bases so as to obtain extensive support from the people."

As for the issue on military bases on Okinawa, the U.S. secretary of defense once vowed to make efforts toward a solution. However, it is an unusual and significant incident that the U.S. president showed his specific view by revealing the fact that he has "ordered them to be settled." In considering such a situation, it seems that the three important problems—the return of the Naha Military Port, return of the Yomitan Auxiliary Airfield and discontinuation of exercises taken place there, and abolition of live shelling exercises across Prefectural Highway 104—have been coming very near to settlement.

It is reported that after being informed of Clinton's remarks, Tamazawa expressed his positive stance to the solution by the end of this year. In view of the fact that 50 years have passed since the war's end, Noboru Hoshuyama, director general of the Defense Facility Administrative Agency, also revealed his intention to bolster the solution system through several ways, such as creating new project teams on the three problems. Hoshuyama expressed his resolution to resolve Okinawa's base-related issues, saying: "As we consider how to proceed with the settlement project, we must not forget the following three days: The memorial day for Okinawa's reversion to Japan on 15 May; the memorial day for the war dead on 23 June; and the memorial day for the end of World War II on 15 August."

The atmosphere in favor of settlement is upsurging on one hand; however, on the other hand, some people showed their anxieties over possibility that the Japan-U.S. security system will further strengthen. They are wary of the possibility that the prefectural government will be forced to take a "realistic approach" in this concern. For example, the Urasoe City Assembly has adopted a resolution opposing possible removal of functions of the Naha Naval Port to Urasoe.

Hoshuyama said: "This is a domestic issue. The selection of places suitable for the removal is now underway. I believe that it is possible to choose the most suitable place. However, the most difficult tasks are in what way

we should propose our plan and how we obtain local people's understanding." In any case, Governor Ota seems to be forced to make a certain decision.

Relocation of U.S. Bases Opposed

OW1701065995 Naha RYUKYU SHIMPO in Japanese
15 Jan 95 Morning Edition p 3

[Article by political and economic reporter Yoshikazu Shiohira, part three and the last of the series entitled "Beginning of a Solution: The Japan-U.S. Summit Agreement on Bases in Okinawa": "Rejection to 'Relocation'"]

[FBIS Translated Text] The Japan-U.S. summit accord on "reorganization and consolidation of U.S. bases in Okinawa" was reached by the prefectural government's strategy to focus only on the "three priority problems" of 1) return of the Naha Military Port; 2) discontinuation of parachute exercises at the Yomitan Auxiliary Airfield and return of the airfield; and 3) discontinuation of live-firing exercises across Prefectural Highway 104. Last June, the prefectural government requested settlement of the three problems prior to the prime minister's trip to Washington.

Defense Facilities Administration officials in the national government consider "the three issues would have not been brought to the Japan-U.S. summit if Okinawa had just urged return of all bases without narrowing down its requests." The prefectural government's strategy to clarify policy precedence has been working well so far.

Yet, the prefectural government is likely to face tough times hereafter.

For example, the return of Naha Military Port has been agreed to upon the condition of relocation. In response to the U.S. relocation plan calling for moving to "Makiminato," Urasoe Mayor Seiko Gibo repeatedly announced his opposition to additional military facilities. The Urasoe Municipal Assembly also adopted resolutions opposing the relocation plan on 9 January of this year and in March 1994.

While the "good news" from Washington on 12 January made the national and prefectural governments happy, the Urasoe Municipal Office regarded it as an "emergency" to force the relocation of the port to Makiminato. Executives of the office decided to let Mayor Gibo file antirelocation petitions with the Foreign Ministry and the Defense Agency on 17 January. Urasoe city is intensifying its rejection to the relocation plan.

Urasoe city's second redevelopment project includes reclaiming the coast of Makiminato to create a land lot of 120 hectares. Its opposition to relocation of the Naha Military Port arises from fear of an obstacle to its dream of west coast development.

Director Eizo Matayoshi of the Urasoe Municipal Office Planning Department stressed: "Relocation of the military port to Urasoe is being done in order to move it to another side of an important port area. Okinawa must have modern ports in the 21st Century to obtain independent connections with Asia, and, in this regard, we cannot accept further military facilities in the west coast. If Camp Kinser is given control of the military port, that is nothing more than reinforcement of the base."

Also, the U.S. forces plan to relocate the parachute training site to Camp Hansen (in Ginoza Village). This also faced opposition from the Ginoza Municipal Assembly. They say "reinforcement of Camp Hansen will ruin the village's development plan, assuming an early return of the base." Ginoza's resolution was submitted to the prefectural assembly, and was adopted at its September session. Local assemblymen are trying to nip a possible relocation agreement in the bud. If Camp Hansen is formally proposed as the site for relocating the parachuting exercises, they will certainly react strongly.

Live-firing exercises are expected to be relocated to the Higashi-Fuji training field in Shizuoka Prefecture upon a U.S. proposal; however, Shizuoka Prefecture protested to Okinawa through political parties and other informal channels.

The U.S. forces are urging Japan to share costs of transporting troops to Shizuoka for exercises (which is believed to amount at 100 million yen for each exercise). But the Japanese Government says "it is difficult for Japan to aid combat operations under the existing provisions of the Status of Forces Agreement," noting the need to conclude a special agreement to obtain legal justification for relocating the exercises to Shizuoka. It is questionable if the new agreement will be approved by the Murayama administration, which is curtailing defense expenditures.

Matayoshi, Urasoe's planning department director, expressed his concern over moves in the prefectural government, saying: "We highly rate the prefectural government's efforts to settle the three issues. But we do not agree with the opinion that settlement of those problems justifies smaller sacrifices."

Editorial on U.S. Military Base Issue on Okinawa
OW1401151195 Tokyo ASAHI SHIMBUN in Japanese
13 Jan 95 Morning Edition p 5

[Editorial: "Okinawa Military Base Issue and Future Japan-U.S. Cooperation"]

[FBIS Translated Text] At the latest Japan-U.S. summit, President Clinton, referring to the three pending problems related to U.S. military bases on Okinawa—the solution of which the Okinawa Prefectural Government has strongly demanded, told Prime Minister Murayama that he intends to work to resolve the three pending problems.

The three pending problems are so serious and long-standing that we wonder why the Japanese and U.S. Governments have not fully grappled the problems. Even if the three pending problems are resolved, the fact that the presence of massive U.S. military bases on Okinawa has been impeding Okinawa's development will not greatly change.

It is unclear whether or not the President made the comment with the need to streamline U.S. Forces in Japan in mind, which are poised to project their military strength onto the Korean peninsula and other Asian nations. The President's comment may be taken as a gift to the prime minister who is from the ruling Social Democratic Party of Japan, which decided to "uphold the Japan-U.S. Security Treaty" after making a major defense policy shift.

The leaders of the two countries discussed the U.S. military base issue on Okinawa, and we would like to take the significance of their discussions seriously.

We believe that there are two points the two nations have to consider.

First, the two nations will have to hasten the solution of the three pending problems. One of the three pending problems is the fact that both Japan and the United States agreed more than 20 years ago to return the Naha Military Port to Okinawa. A host of difficulties on the Japanese side have delayed resolving the issue, which includes securing a relocation site for the military port and securing funds to cover the costs incurred by the relocation.

It is certainly difficult to relocate military installations in Japan, which has a narrow land area. Three-fourths of the military installations used exclusively by U.S. Forces in Japan are concentrated on Okinawa. The Okinawans have shouldered the cost of "smoothly operating the Japan-U.S. security arrangements." We believe that both Japan and the United States should look at this Okinawan situation straight-on.

The Japan and U.S. Governments should take concerted steps to resolve the three pending problems in concert with the Okinawa Prefectural Government and other organizations on Okinawa.

The Okinawa Prefectural Government and other organizations on Okinawa are increasingly voicing their objection to low-flying exercises by U.S. military planes. It is indispensable that U.S. Forces on Okinawa need superb military facilities and training grounds to keep them functioning, but it is also indispensable that U.S. Forces on Okinawa need to win the understanding and cooperation of the Okinawans. Until now, Japanese politicians and bureaucrats have been so timid that they have not asked the United States to do so.

Second, now that the leaders of the two countries have taken up the military base issue on Okinawa for discussion, the Japanese and U.S. Governments and politicians should vigorously discuss how best to maintain the

Asia and Pacific region's future security and military cooperation between the two countries. They should also discuss matters concerning the size of the U.S. Forces in Japan and Japan's assistance to them.

The end of the Cold War has greatly changed the U.S. military presence in the region. The United States withdrew from its huge naval and air bases in the Philippines.

Nonetheless, no visible moves to scale back U.S. Forces in Japan have been seen because of its geographical importance and because Japan's generous financial assistance provides an optimum condition for the United States to continue to stress the need to keep U.S. Forces in Japan.

As seen in China's military modernization, economic development in Southeast Asia, and a nuclear agreement signed between the United States and the DPRK, the regional security environment has certainly been changing. The argument for cutting U.S. troops stationed abroad is deep rooted within the U.S. Congress. The deployment of U.S. Forces in Japan as a deterrent to conflicts in the region is understandable. But what is important is that both Japan and the United States have to deepen their common understanding about the role and size of U.S. Forces in Japan.

A U.S. general stated that U.S. Forces in Japan during the post- Cold War play the "role of putting a cap on the bottle" to keep Japan from becoming a military power. How should we accept his comment?

Thinking of how best to maintain Japan-U.S. military cooperation inevitably leads to the reassessment of the Self-Defense Forces and exploring the possibility of creating a framework for security in Northeast Asia. We believe that both Japan and the United States should think of how best to maintain their military cooperation to put their relations back on track this year, which marks the 50th anniversary of the end of World War II.

Editorial on Summit Coverage of Bases Issue

OW1601024695 Naha RYUKYU SHIMPO in Japanese 13 Jan 95 Morning Edition p 5

[Editorial: "Japan and the United States Should Cooperate For Peaceful Use of Military Bases—Most Okinawans Welcome Agreement at Summit"]

[FBIS Translated Text] At the recent summit, Prime Minister Tomiichi Murayama and U.S. President Bill Clinton agreed to make efforts toward the reorganization and consolidation of U.S. bases in Okinawa. The fact that the Okinawa base issue was one of major topics in the Japan-U.S. summit is significant. We hope the agreement will be carried out and three base-related issues, including the return of the Naha Military Port, will be really resolved.

At the summit, President Clinton said: "I understand that the U.S. military bases are a delicate issue in Japan.

I have instructed Ambassador Mondale to work toward reorganization and consolidation in dealing with Okinawa's three base-related issues." Meanwhile, Murayama expressed his hope that the United States would make efforts toward reorganization and consolidation of the U.S. military bases so extensive support would be given to the Japan-U.S. security arrangements.

Closely examining what they said, you will know they made these remarks on the condition that "Japan-U.S. security arrangements be maintained."

Now, let us see how different their remarks are from those made by former Prime Minister Eisaku Sato and former U.S. President Richard Nixon: In a Sato-Nixon joint declaration on the reversion of Okinawa to Japan, Sato said: "Japan considers it necessary to reorganize or reduce as many of the U.S. military facilities and sites located in the areas which are essential to Okinawa's industrial development as possible, after Okinawa reverts to Japan." In response, Nixon said: "These factors will be fully taken into consideration when we select, after reversion, facilities and sites acceptable to both sides in line with the objectives of the security pact."

Okinawa Should Take the Opportunity of the Changing Times

Some have reacted coolly to the remarks by Murayama and Clinton, saying they are nothing new. Nevertheless, Okinawa Governor Masahide Ota and mayors of the concerned municipalities have welcomed their statements. Since the reversion, Okinawa's base issue has not been a major topic at Japan-U.S. summits. For the first time in many years the issue was high on the agenda at the latest summit. Because of this, many people have put great expectations on the summit.

It can be said the tenacious lobbying conducted toward the U.S. Government and congressional officials by Ota, former Governor Junji Nishime, and the mayors of the municipalities where U.S. Forces are stationed was the catalyst behind a decision to discuss Okinawa's base issue at the summit. The number of U.S. Government and congressional officials who are sympathetic on Okinawa's base issue has increased.

The inauguration of the coalition government comprising the Liberal Democratic Party, the Social Democratic Party of Japan [SDPJ], and Sakigake [Harbinger] has had positive effects on Okinawa. Governor Ota has requested, through government office channels, that the base issue be resolved at government-level talks, while Deputy Governor Yoshimoto has made the same request to the government through the SDPJ and All-Japan Prefectural and Municipal Workers' Union, of which Prime Minister Murayama is a member. The number of channels through which the prefecture can advance requests has increased, and this is good for Okinawa. In welcoming statements, Ota and mayors of concerned

municipalities indicated their strong hope that the prefecture would take the opportunity of the changing times brought about by the end of the Cold War to draw more attention to Okinawa.

The end of the Cold War has brought about drastic changes to the global political and military situation. Also, this year marks the 50th anniversary of the end of WWII. In such a situation, Okinawa should take action to see Japan-U.S. relations from a different point of view. It should positively put forward proposals concerning the future course of the Japan-U.S. security arrangements. For Okinawa, it is unfortunate that the present security treaty puts too much emphasis on the military field. We think it is possible to shift importance to nonmilitary arenas, such as economic, cultural, and academic exchanges.

No one believes U.S. bases will remain in Okinawa forever. The U.S. Government currently suffers from huge financial deficits. It would not be easy for the United States to maintain the U.S. Forces in Japan without Tokyo's sharing of cost for maintenance. The United States will inevitably withdraw the U.S. Forces in Japan in the future.

Okinawa Should Make Use of the United States in Nonmilitary Fields

It is unfortunate for Okinawan people that there are military bases here. Nevertheless, Japan and the United States have built up close relations in various fields, including the economy, culture, education, and science and technology, in the 50 years since WWII. The close ties have been established not only at the government level, but also at the public level. The Japan-U.S. relationship will continue to be important.

It is not wise for Okinawa to cut off all relations with the United States upon the withdrawal of U.S. bases. It should build up even closer ties than now. We propose that with an eye to a possible situation in which most U.S. bases will be reduced in the future, so Japan and the United States should cooperate in efforts to promote the peaceful use of returned land. Of course, Okinawa should take the initiative in this.

If Japanese and U.S. firms conduct trade with China, the Koreans, and Southeast Asian countries via Okinawa, this island will possibly become a strongpoint for trade. We should make the best use of the United States in non-military fields. Trade is one such field. Cultural and academic exchanges through Okinawa will also be possible.

However, there is concern that the statement issued by the Governments of Japan and the United States on three base-related issues is merely temporizing, thus they will continually maintain most U.S. bases in Okinawa. This will happen if we do not take action.

"Parkinson's Law" says the number of government officials tends to increase regardless of the increase or

decrease of their duties. The same can be said of military organizations. It is totally unnecessary to station so many U.S. military units in Okinawa. The number of military units should be reduced to the greatest extent while allowing the United States to maintain its military presence. Then the returned U.S. bases should be used for peaceful purposes. Okinawa needs to offer proposals acceptable to American taxpayers. If it leaves the bases issue to the central government, U.S. bases will continually exist, and Okinawan people will feel miserable when military bases are returned.

Petrochemical, Nuclear Plants Shut Down

*OW1701053395 Tokyo KYODO in English 0502 GMT
17 Jan 95*

[FBIS Transcribed Text] Tokyo, Jan. 17 KYODO—Four petrochemical facilities in the Kinki region of western Japan shut down their operations Tuesday [17 January] because of the earthquake earlier in the day, the Ministry of International Trade and Industry (MITI) said.

The affected plants included an oil refinery complex of Idemitsu Kosan Co., Japan's leading oil company, at Himeji, west of Kobe in Hyogo Prefecture. There was no damage such as leakage of oil or explosions at the refinery, a MITI official said.

Meanwhile, Kansai Electric Power Co. shut down eight of its electric power generating facilities, including a nuclear power plant, and nine substations in Osaka and Hyogo Prefectures.

Kansai electric power did not report whether or not there was any damage to its nuclear power plant.

Osaka Gas Co. cut off the supply of city gas to some areas where gas leaks have been reported by residents.

MITI established a special task force at its Kinki bureau at 8 A.M. to monitor damage caused by the quake.

Earthquake Forces SDPJ, Rebels To Suspend Dispute

*OW1701085495 Tokyo KYODO in English 0725 GMT
17 Jan 95*

[FBIS Transcribed Text] Tokyo, Jan. 17 KYODO—The powerful earthquake in western Japan Tuesday [17 January] has prompted the ruling Social Democratic Party [of Japan] (SDP) [SDPJ] and its rebel members to suspend their bickering and focus on measures to help victims of the disaster.

The party's leadership body, the central executive committee, agreed at a meeting to put off a decision on whether to expel the rebels, and Secretary General Wataru Kubo told reporters that it will place "the top priority on quake measures."

Meanwhile, the rebel group led by former SDPJ Chairman Sadao Yamahana also decided to postpone an inaugural ceremony and a press conference scheduled

Tuesday for the new parliamentary bloc Minshu Rengo-Minshu Shinto Club—Democratic League-Democratic New Club.

Nineteen SDPJ rebels formally set up the bloc Monday as the precursor of the new party it is planning to form within a month, together with five opposition lawmakers.

The rebels were scheduled to submit to the SDPJ a notice of their departure from the party's parliamentary bloc Tuesday and have also entrusted their written resignations from the party to Yamahana.

SDPJ Chairman and Prime Minister Tomiichi Murayama, earlier hinting at an expulsion of the rebels, said Saturday a new party should be launched by revamping the SDPJ after assessing the situation following nationwide local elections in April.

But Yamahana and other rebels have urged a transformation of the SDPJ into a new party at an earlier stage.

Murayama To Cut 'Red Tape' in Policy Speech

OW1301134695 Tokyo KYODO in English 1337 GMT 13 Jan 95

[FBIS Transcribed Text] Tokyo, Jan. 13 KYODO—Prime Minister Tomiichi Murayama will pledge to cut red tape in a policy speech to be delivered on the opening day of the next ordinary Diet session Jan. 20, government officials said Friday [13 January].

With the catchphrase "from reform to creativity" in the speech, Murayama will give top priority in his cabinet to administrative reform and contributing to global disarmament, they said.

In line with his policy vision, announced at his New Year press conference, to make Japan a "creative, people-friendly" nation, the speech will focus on four topics—the economy, culture, the social environment and international contributions, the officials said.

On the economy, Murayama will promise to promote deregulation, streamline public corporations, give more administrative authority to local governments and increase the accessibility to administrative information.

The prime minister will also pledge the early drafting of a new five-year economic program to create jobs and cope with the "hollowing out" of domestic industry, the officials said.

On social issues, Murayama will appeal to create a safe and "people-friendly" society free of gun crimes and bullying at school, they said.

Turning to international contributions, Murayama will support a permanent extension of the nuclear Nonproliferation Treaty (NPT) and appeal for early introduction of a total ban on nuclear testing.

With 1995 marking the 50th anniversary of the end of World War II, Murayama will deal with related pending issues such as the so-called "comfort women," or women forced into prostitution for Japanese soldiers during the war, the officials said.

As for the Japan-U.S. relationship, Murayama will stress the importance of a creative relationship between the two countries and pledge to play a key role in attaining long-term stability and sustainable development in the Asia-Pacific region as Japan assumes the rotating chair of the Asia-Pacific Economic Cooperation (APEC) forum, they said.

He will also take a positive stance on Japan's bid for a permanent seat on the UN Security Council by voicing determination to deal with UN reforms, they added.

Murayama To Stress Reform in Policy Speech

OW1701092995 Tokyo KYODO in English 0856 GMT 17 Jan 95

[FBIS Transcribed Text] Tokyo, Jan. 17 kyodo - Prime Minister Tomiichi Murayama will pledge to complete ongoing administrative reforms with "indomitable determination" when he delivers his key policy speech Friday [20 January] at the start of an ordinary Diet session, according to a draft of his speech obtained Tuesday.

Murayama considers administrative reform as a top priority among the major tasks for his cabinet and vows "complete fruitful reforms with an indomitable determination and courage," the draft says.

The 150-day ordinary session of the Diet is scheduled to convene Friday.

In the opening day speech, Murayama will argue that reforms should lead to a shift of power and authorities from the public to the private sectors and also from the central to local governments.

The draft speech calls for creation of a liberated social economy full of vitality and an accumulation of intellectual assets for the next generation.

He will also urge establishment of a "gentle" society where people live in safety and Japan's stepped-up contributions to world peace through more international activities.

The administrative reforms should be focused on deregulations, greater authority for local governments, administrative information disclosure and streamlining of special government-backed organizations.

The goal of reforms should be the "realization of simple and effective administration that can measure up to people's expectations and trust," it says. On economic issues, Murayama's speech will stress the importance of redressing a price gap between domestic and overseas

markets and stimulating industrial structural changes to cope with an ongoing hollowing out and serious employment woes.

The premier will also declare his commitments to global arms reductions, stating that Japan will seek an indefinite extension of the nuclear Nonproliferation Treaty and an early conclusion of an international nuclear test ban treaty.

Murayama will make clear that Japan is ready to shoulder responsibility as a permanent member of the UN Security Council, conditioned upon Japanese people's support and understanding and support of UN reforms.

He will promise to handle with "sincerity" the issue of compensation for victims of Japanese actions during World War II.

Shinshinto Ready To 'Wrench Power' From Coalition

OW1601064695 Tokyo KYODO in English 0617 GMT
16 Jan 95

[FBIS Transcribed Text] Pebble Beach, California, Jan. 15 KYODO—Ichiro Ozawa, a key strategist in Japan's largest opposition party, Sunday [15 January] expressed determination to wrench power from the three-party ruling coalition at a roundtable conference in California.

At the Asia-Pacific leaders' roundtable conference sponsored by Stanford University, the secretary general of Shinshinto (New Frontier Party) stressed the significance of the establishment of the new grand opposition.

A great change is happening in Japan, said Ozawa. The "some 50 years of monopolized power by the Liberal Democratic Party (LDP) has ended, and Shinshinto has emerged and is capable of taking political power."

Nine opposition forces merged to form Shinshinto on Dec. 10, creating the second largest political party after the LDP.

Ozawa said the biggest difference between the coalition and the opposition is that one supports the maintenance of the status quo and the other promotes reforms.

He rapped the LDP for maintaining a position that reforms are not necessary.

As challenges Japan faces ahead, Ozawa cited deregulation and a bigger role in the international community.

He predicted that Japan's new electoral system for the House of Representatives—a combination of single-seat constituencies and proportional representation—would finally bring about a two-party system for Japanese politics.

Ruling Party Leaders Considering Cabinet Reshuffle

OW1401124595 Tokyo YOMIURI SHIMBUN in
Japanese 12 Jan 95 Morning Edition p 1

[FBIS Translated Text] Prime Minister Tomiichi Murayama, Foreign Minister Yohei Kono (Liberal Democratic Party president), and Finance Minister Masayoshi Takemura (New Party Sakigake [Harbinger] head) agreed to consider a cabinet reshuffle before the next ordinary Diet session or the House of Representatives' dissolution at the beginning of the Diet session.

While exchanging views on the political situation prior to Murayama's U.S. visit and Takemura's Singapore visit, the three ruling party leaders confirmed that if Sadao Yamahana, chairman of the rebel socialist group New Democratic League [NDL], and his supporters intensify their move to bolt from the Social Democratic Party of Japan [SDPJ], these two possibilities will be discussed later, depending on how many SDPJ members actually follow this secession movement. This was disclosed by several sources close to the ruling parties on 11 January.

The three leaders exchanged thoughts on several occasions from the end of December through early January. After analyzing the possible impacts of the NDL move on the coalition administration, the leaders almost agreed on the following points: 1) If about 20 SDPJ members from the House of Representatives decide to leave the party, it will become necessary to study a small-scale cabinet reshuffle, mainly to replace ministers from the SDPJ, to reconstruct the SDPJ's base; and 2) If the SDPJ faces the further deteriorated situation in which the number of defectors reaches around 30, and if Secretary General Wataru Kubo is among those leaving the party, then there may be no choice but to consider the House of Representatives's dissolution at the beginning of the next ordinary Diet session.

However, at this point, within the ruling parties, the majority have negative opinions about the possibility of a cabinet reshuffle and the House's dissolution because the NDL and its supporters are now considering postponing the formation of a new party.

Murayama Wants New Party After Apr Local Elections

OW1401075295 Tokyo KYODO in English 0740 GMT
14 Jan 95

[FBIS Transcribed Text] Sapporo, Jan. 14 KYODO—Prime Minister Tomiichi Murayama proposed Saturday [14 January] launching a new party to revamp his Social Democratic Party (SDP) [of Japan—SDPJ] sometime after nationwide local elections in April.

Murayama told reporters, "(the new party) will be formed after ascertaining the situation of the local polls. (I) cannot precisely spell out the timing."

His remarks came on the heels of rebel SDP members moves to accelerate a drive to launch a new party rallying "democrats and liberals."

Sadao Yamahana, head of the intraparty rebel group New Democratic League (NLD), said Friday that he and 24 other NLD members will set up the parliamentary group Minshu-Rengo "Democratic League," a precursor for the new party, on Monday.

The rebels, who initially urged formation of a new party before the ordinary Diet session starts Jan. 20, have defied a decision by the party to discuss the matter at a party convention in February.

Murayama told reporters he will try to persuade Yamahana, former SDP chairman, to drop his plans for an immediate new party and act in unison with other SDP members to avoid a party split.

The prime minister also said he will meet with Masayoshi Takemura, finance minister and head of the SDP's ruling coalition ally New Party Sakigake [Harbinger], as early as Sunday, to discuss the feasibility of merging their parliamentary blocs.

Takemura said Friday that the two parties will soon talk about the possibility of consolidating the two parliamentary blocs.

The SDP and Sakigake form the ruling coalition along with the largest party in the Diet, the Liberal Democratic Party (LDP).

The planned creation of a new party by Yamahana and other rebel SDP members is designed to rival the two largest conservative parties—the LDP and the fledgling grand opposition Shinshintō (New Frontier Party).

The SDP holds far fewer Diet seats than the LDP and Shinshintō.

After attending a party sponsored by the SDP's Hokkaido chapter, Murayama told reporters, "a new party will be formed while battling for a house of councilors election in July."

On whether the SDP will try to expel Yamahana and other rebel members, Murayama said it would be left to the party's Central Executive Committee.

Liberal League Member Leaves To Become Independent

OW1301121095 Tokyo KYODO in English 1151 GMT 13 Jan 95

[FBIS Transcribed Text] Tokyo, Jan. 13 KYODO—House of Representatives lawmaker Yanosuke Narazaki notified the lower house Friday [13 January] he has left the small opposition parliamentary group Liberal League to become independent.

Narazaki and seven other Diet members registered the opposition party Liberal League on Monday as a new parliamentary group in the 511-seat lower house.

Narazaki has said he will join the Democratic League, a new parliamentary bloc to be formed next week by rebel members of the ruling Social Democratic Party.

SDPJ To Discuss Expulsion of Rebels 17 Jan

OW1301143995 Tokyo KYODO in English 1349 GMT 13 Jan 95

[FBIS Transcribed Text] Tokyo, Jan. 13 KYODO—The ruling coalition partner Social Democratic Party [of Japan] (SDP) [SDPJ] will discuss Tuesday [17 January] whether to expel rebel members threatening to leave the party's parliamentary bloc to set up one of their own to prepare for a new party replacing the SDPJ, party officials said Friday.

SDPJ executives decided Friday evening to convene an extraordinary meeting of the SDPJ's policy-making central executive committee on Tuesday, the officials said.

They met after Sadao Yamahana, head of the New Democratic League (NDL), a rebel group within the party, told SDPJ Secretary General Wataru Kubo earlier in the day that he and 23 other NDL members will set up the "Democratic League" on Monday, they said.

At the Friday gathering, a group of executives supporting SDPJ Chairman and Prime Minister Tomiichi Murayama insisted on ousting the rebels, the officials said.

After receiving Yamahana's notice, Kubo met Murayama and told him the 24 members are going to secede from the SDPJ's Diet bloc, they said.

Murayama, just back from a trip to the United States, told Kubo that the SDPJ should deal "appropriately" with the issue.

The premier told reporters in Washington on Wednesday after a meeting with U.S. President Bill Clinton that it has been customary for defectors from the SDPJ's parliamentary group to be ousted from the party.

Kubo, however, told a press conference after Friday's meeting of party executives that Murayama was not referring specifically to this case.

A panel of legislators from the NDL and the opposition camp has decided to form the Democratic League. The panel will meet Monday and establish a new Diet bloc, panel sources said.

Legislators joining the new parliamentary bloc will secede from their current Diet blocs Tuesday, the sources said.

The Democratic League will register itself with both houses of the Diet after holding a general meeting on Wednesday, they said.

An executive of the Liberal Democratic Party (LDP), the largest component in Murayama's three-party coalition government, suggested Friday the SDPJ should expel the rebels.

LDP Policy Affairs Research Council Chairman Koichi Kato criticized the planned parliamentary bloc for its suspected intention to forge an alliance with the largest opposition Shinshintō (New Frontier Party) in elections and political activities.

Yukio Hatoyama, secretary general of New Party Sakigake [Harbinger], a ruling coalition partner that is a small LDP splinter group, said Friday he hopes the new Diet group will stay within the ruling camp.

The 24 SDPJ members in Yamahana's list comprise 17 members of the House of Representatives and seven House of Councillors legislators. The SDPJ now holds 70 seats in the lower house and 68 in the upper house.

Submitting the list, Yamahana, a former SDPJ chairman, asked Kubo to avoid expelling them from the party, as the party usually does in such cases.

There are other SDPJ members not on the list who would immediately leave the party if the Yamahana group were expelled, according to Yamahana group members.

Yamahana told a press conference after the meeting with Kubo that the ball is now in the party leadership's court.

Asked if he is going to leave the party, Yamahana said, "it's a matter for the party to decide on, not for me to judge."

He stressed that his move is not designed to split the party, adding that preparations for launching a new party will continue without delay.

Construction Minister Koken Nosaka from the SDPJ said at a press conference that the Yamahana followers will be expelled unless the party central executive committee accepts the new bloc.

Another SDPJ cabinet member, Labor Minister Manso Hamamoto, however, said at a separate press conference that they may not be kicked out of the party immediately.

"The actions of Mr. Yamahana and his followers are aimed at improving the party's organization, and we see them as a forerunner for creating a third pole in Japanese politics," Hamamoto said.

Murayama Urges 'Restraint' From SDPJ Dissidents

OW1401102695 Tokyo KYODO in English 1014 GMT
14 Jan 95

[FBIS Transcribed Text] Sapporo, Jan. 14 KYODO—Prime Minister Tomiichi Murayama urged dissident members within his ruling Social Democratic Party [of

Japan] on Saturday [14 January] for restraint in their moves to break away, proposing instead party reorganization after nationwide local elections in April.

Murayama said he intends to create a tail wind in favor of the transition to a new party before the elections, with the formation of a new party taking into account the political climate after the polls.

Murayama made the call at a news conference in the prefectural capital of Hokkaido, Japan's northernmost main island, where he attended a party hosted by the SDP's Hokkaido headquarters.

His remarks followed moves by rebel members to speed up their drive to break away and form a new party rallying "democrats and liberals."

Sadao Yamahana, former SDP chairman and leader of the intraparty rebel group, known as the New Democratic League (NDL), said Friday he and 23 other NDL members will set up the parliamentary group "Democratic League" on Monday as a step toward formation of a new party.

Murayama said he will try to persuade Yamahana and his group to follow party procedures.

Party rules require members to go through appropriate procedures before leaving, including having their plans thoroughly reviewed by the party's Central Executive Committee, he said.

Meanwhile, Murayama said he would support the formation of a unified parliamentary group between the SDP and New Party Sakigake [Harbinger], the smallest of the three-party ruling coalition.

He said he will meet with Masayoshi Takemura, Sakigake leader and finance minister in his cabinet, Sunday after he returns from a tour of Asian countries.

Some trade union leaders have warned they will withdraw support for the SDP if the party decides to expel the dissident group.

Yamahana indicated the proposed new party is designed to rival two major conservative parties—the ruling Liberal Democratic Party, the largest party in the ruling coalition, and the fledgling big opposition Shinshintō (New Frontier Party).

The SDP is far outnumbered by these two conservative groups.

SDPJ-Sakigake Liaison Council To Be Established

OW1601085295 Tokyo KYODO in English 0834 GMT
16 Jan 95

[FBIS Transcribed Text] Tokyo, Jan. 16 KYODO—Prime minister Tomiichi Murayama, leader of the Social Democratic Party [of Japan] (SDP) [SDPJ], and Finance

Minister Masayoshi Takemura, head of New Party Sakigake [Harbinger], agreed Monday [16 January] to set up a liaison council between the two parties to promote cooperation, coalition sources said.

The heads of two of Japan's three ruling parties met to discuss a strengthening of cooperation and how to deal with an ongoing rift within the SDPJ, they said.

In the evening, former SDPJ Chairman Sadao Yamahana and dozens of other SDPJ rebels will set up their own parliamentary bloc, the "Democratic League," as an initial step toward forming a new party which he says rallies "democrats and liberals."

The planned SDPJ-Sakigake liaison council aims at discussing how the two parties should deal with Diet issues and adjust their policies, they said.

The entity will also study the feasibility of gathering Japan's "third" political forces together around the SDPJ and Sakigake to rival Japan's two conservative forces—the Liberal Democratic Party (LDP), the largest component in Murayama's three-party coalition government, and the opposition alliance Shinshinto (New Frontier Party), they said.

The SDPJ rebels led by Yamahana, who form the New Democratic League (NDL), are also trying to gather non-LDP and non-Shinshinto forces.

The meeting between Murayama and Takemura held at the premier's official residence for two and a half hours was also attended by Chief Cabinet Secretary Kozo Igarashi of the SDPJ and Shusei Tanaka, a senior Sakigake executive.

According to Igarashi, Takemura proposed launching a panel of members from both parties, academics and intellectuals to prepare for a possible "new party." The two leaders decided to have their parties' senior members discuss the issue, he said.

Murayama has proposed to Takemura that the SDPJ and Sakigake merge their parliamentary blocs, but the two party heads failed to agree on this, the sources said.

After the meeting, Takemura told reporters their discussions have encompassed more than just the feasibility of an alliance of their Diet blocs, hinting they may be considering whether to form an allied new party.

SDPJ Leader Kubo Warns Possible Party Split

OW1501062195 Tokyo KYODO in English 0550 GMT 15 Jan 95

[FBIS Transcribed Text] Kagoshima, Japan, Jan. 15 KYODO—A leading member of Prime Minister Tomiichi Murayama's Social Democratic Party (SDP) warned party rebels Sunday [15 January] that their rash move to quit the SDP could split the party and undermine the Murayama government.

"If they (the rebels) leave as a considerable force, it would result in the party breaking up," SDP Secretary General Wataru Kubo told a news conference in Kagoshima, southern Japan.

The warning came as Sadao Yamahana, a former SDP chairman, and other rebels prepared to set up a new parliamentary bloc in an initial step toward forming a new party.

Kubo, who has also called for the creation of a new party comprising liberals and democrats, said he will personally talk to members of the New Democratic League, the rebel group headed by Yamahana, to see if they really are leaving the SDP.

He will then decide whether to meet calls from some of Murayama's backers for the expulsion of the rebel members at the party's Central Executive Committee meetings Tuesday and Thursday, he added.

Kubo also said that, in the event of a party breakup, he will call off an extraordinary party convention set for Feb. 11.

The convention is aimed at hammering out a compromise between Yamahana's group and left-wing party members opposing the rebel move.

Meanwhile, members of the right-center league will leave an SDP-led parliamentary bloc Tuesday, but will retain their SDP membership until the establishment of a new party planned for February, Yamahana said in Tokyo on a Japan Public Broadcasting Corp. (NHK) television program.

However, an opposition lawmaker who has joined Yamahana in the bid to form a new party took issue with his intention to stay in the SDP for the present.

"It's unreasonable for a single party to have two Diet blocs," said Banri Kaieda, who heads a small opposition party.

Appearing on another TV network program along with Yamahana, he urged the SDP rebels to quit the party itself, as well as the parliamentary bloc, when they inaugurate a new bloc.

Yamahana said he would leave the SDP if it was so agreed with three other leaders of a preparatory group set up last week to form a new party. Yamahana and Kaieda agreed to meet again Monday to discuss the matter.

Murayama, Takemura on SDPJ-Sakigake Alliance

OW1601045295 Tokyo KYODO in English 0412 GMT 16 Jan 95

[FBIS Transcribed Text] Tokyo, Jan. 16 KYODO—Prime Minister Tomiichi Murayama met Finance Minister Masayoshi Takemura, a key coalition partner, at the premier's official residence Monday [15 January]

morning in a bid to strengthen his falling Social Democratic Party (SDP), sources said.

In the afternoon, former SDP Chairman Sadao Yamahana and other rebel members of the party are scheduled to set up a new parliamentary group in an initial step toward forming a new party.

Murayama and New Party Sakigake head Takemura discussed the idea of a closer alliance between their two parties and other issues including SDP rebel's move of establishing the new party, the sources said.

Prior to the talks with Murayama, Takemura met House of Representatives member Shusei Tanaka and Deputy Chief Cabinet Secretary Hiroyuki Sonoda, both of New Party Sakigake, at a Tokyo hotel to discuss the possibility of stepped-up ties with the SDP.

Chief Cabinet Secretary Kozo Igarashi, Sonoda and Tanaka were also present at the meeting between Murayama and Takemura, the sources said.

Yamahana and his followers are set to establish the new parliamentary bloc, the New Democratic League, which comprises "liberals and democrats," at a Tokyo hotel later Monday.

During the meeting, Murayama and Takemura agreed to set up a liaison council for their parties to discuss how they should deal with Diet issues and adjust their policies, the sources said.

They decided the two parties should discuss a broad range of issues to promote cooperation in addition to the idea of joining up as a single force in the Diet, they said.

Takemura pledged to continue supporting the Murayama administration "at all costs," they said.

'Renegade' SDPJ Members Establish New Diet Group

OW1601113595 Tokyo KYODO in English 1113 GMT
16 Jan 95

[FBIS Transcribed Text] Tokyo, Jan. 16 KYODO—Renegade members of the ruling Social Democratic Party (SDP) [of Japan—SDPJ] on Monday [16 January] formally set up a parliamentary group as a front-runner for a new party they are planning to form within a month.

Twenty-four Diet members, comprising 19 SDP rebel members of both houses and 5 opposition lawmakers, inaugurated the Diet group at the first general assembly of their preparatory panel for the new party.

They will file the new parliamentary bloc Minshu Rengo-Minshu Shinto Club (Democratic League-Democratic New Club) with both chambers Wednesday, two days before the 150-day ordinary Diet session starts Friday.

The SDP rebels will submit to the party a notice of their departure from the party's parliamentary bloc Tuesday, panel members said.

Their move, defying a party decision to discuss the matter at a party convention in February, has brought the SDP to the brink of splitting up.

Sadao Yamahana, head of an SDP intraparty group, the New Democratic League (NDL), and other group members are grooming a plan to form a new party to rival the two biggest conservative parties—the SDP's coalition ally, the Liberal Democratic Party (LDP), and the new grand opposition party Shinshinto (New Frontier Party).

SDP members joining the new Diet group left their resignations from the party to Yamahana, who is expected to file his own resignation with the party Tuesday.

At least 24 SDP members and six other opposition legislators will join the parliamentary group.

They aim to rally "democrats and liberals" both from inside and outside the SDP to cope with the ongoing political realignment and amid fears that the SDP will ultimately be absorbed by the powerful LDP.

Although the SDP and the LDP had been ideological adversaries for decades, the two parties made a surprise tie-up in late June last year to form the current tripartite coalition, along with the LDP splinter group new party Sakigake [Harbinger].

The LDP holds 200 seats in the powerful 511-member House of Representatives and 95 in the 252-strong House of Councillors, while Shinshinto, comprising mainly the SDP's former coalition allies in the administration of former Prime Minister Morihiro Hosokawa, has 178 seats in the lower house and 35 in the upper house.

The SDP has a far smaller number of seats in the lower house with 70. In the upper house, the SDP occupies 68 seats.

The SDP suffered a crushing defeat in the previous lower house elections in July 1993. At that time the LDP failed to seize a majority of seats and was ousted from its decades-long reign of government.

SDP Chairman and Prime Minister Tomiichi Murayama, who is rather cautious about forming a new party, said Saturday that a new party revamping the ailing SDP should be launched after assessing the situation following nationwide local elections in April.

Yamahana and other rebels, however, have urged a transformation of the SDP into a new party at an early stage. They initially sought to inaugurate a new party before the regular Diet session.

The SDP's leadership body, the Central Executive Committee, will hold a meeting Tuesday to discuss whether to

expel Yamahana, a former party chairman, and other rebels who opted to join the new Diet bloc.

The SDP has precedents of expelling party members who leave the party's parliamentary group.

The SDP's No. 2 man as secretary general, Wataru Kubo, said Monday the party should settle the problem of whether to expel them by Thursday at the latest. He maintains a stance of endorsing the rebels' move as a front-runner for a new party.

After attending a new year reception sponsored by the party's Gifu prefectural chapter in central Japan, Kubo also said he would propose a compromise if necessary.

On Sunday, Kubo warned that the rebels' rash move to leave the party could split the party and undermine the Murayama administration.

Yamahana has said his new parliamentary group will support the current government, but LDP leaders have argued that they will not regard Yamahana's group as part of the ruling coalition if they launched a new group.

*** Komeito, Ikeda 'Two-Pronged Strategy' Reported**

952B0066A Tokyo GENDAI in Japanese Dec 94 pp 108-111

[Article by Takao Iwami, MAINICHI SHIMBUN editorial consultant: "The 'Two-Pronged Strategy' of Daisaku Ikeda and Komeito"]

[FBIS Translated Text] The Dilemma of Organization Political Parties

For groups with different natures to unite is no easy matter. The dilemma of the Komeito-Soka Gakkai at a time when preparations for the December launching of the new-new party are proceeding impressed that fact on me strongly.

Shinseito [Japan Renewal Party] Secretary General Ichiro Ozawa, who is chairman of the executive committee for forming the new-new party, said in an interview in the 15 October issue of ASAHI SHIMBUN: "The fact that Komeito has promoted a system centered on a single-seat election district system is proof that it resolved to exist within a new group apart from Soka Gakkai. It will be an election in which one competes to receive 50 percent of the vote, so under ordinary circumstances every member of Komeito would probably be defeated. The fact that Komeito is aware of that and still promotes the system, indicates that it does not seek to maintain the kind of relationship with Soka Gakkai that is spoken of. Komeito must spread its wings in the election. I have no apprehensions whatsoever about working with Komeito." That is true as far as hopes go; "a different new group" meant the new-new party. Komeito has advocated for a long time dissolving into a new organization, so it also means that the day has approached when its earnest wish can be granted.

But difficult problems were waiting when they got into discussions about specifics. What does one do about Komeito's 600 staff members, its party-organ daily, KOMEI SHIMBUN, with a circulation of 600,000, and its 3,000 members of local assemblies? Unlike Shinseito and the Japan New Party, Komeito is an organization party, and dealing with the organization has begun to be a bottleneck. At the 12 September meeting of new-party organizers, in response to Ozawa saying: "It is desirable for every party and faction to join together as much as possible and form a new-new party. The new-new party should accept members of local assemblies and newspapers and staff," Komeito Secretary General Yuichi Ichikawa answered: "The salary and expenses for each staff member cost 10 million yen each year. Would it not be a great deal of trouble to have the new-new party bear that?" About 4 billion yen each year just for staff personnel costs is not an ordinary figure, and it could very well develop into an employment problem if one errs in dealing with it.

Ichikawa has been aware of that from early on, and has advocated the concept of "a loose alliance under a single umbrella." He also feared adverse reaction and confusion in the event that the new-new party's local organization were monopolized by former Komeito staff and the party organ became something strongly tinged with the color of Komeito.

In the end, Komeito gave up the idea of "total participation," and decided on a two-stage formula of dividing the party. Even after most of the Diet members have joined the new-new party, provincial assembly members, upper house members who will not face reelection next year, and party staff will remain as "Komeito New Party A" (provisional name). At the 5 November party convention the Diet member group formed "Komeito New Party B" and seceded from the party as a first step, and they will formally secede at the party dissolution convention on 5 December.

"We will go on maintaining a good amicable relationship based on respect for each other's independence. Komeito New Party A will face next summer's upper house election and the next general election with this 'good amicable relationship' without joining the new-new party" (says Ichikawa), so the relationship of Komeito New Party A and the new-new party will be complicated. It has not been made clear when New Party A, the group which remained behind, will join with the new-new party. The possibility has been left that a double Komeito will drag on following a double Social Democratic Party of Japan.

Other Factions and Parties Wary of "Bet-Hedging"

Therefore, suspicions deepen in other factions and parties that will participate in the new-new party, and the view has gradually grown stronger that "Komeito probably guesses that realignment of the political landscape will continue even after formation of the new-new party, and wants to leave a means in the event of joining with

a different force. It appears to us like a (Soka Gakkai honorary chairman) Daisaku Ikeda-style bet-hedging strategy," has gradually grown stronger. As though supporting that, at the 21 October liaison conference of Komeito and Soka Gakkai, Soka Gakkai Chairman Einosuke Akiya said: "We will announce in the middle of November our attitude concerning a relationship of support for a new-new party formed by all the opposition parties. We will naturally have to take another look at continuing our one-party support of Komeito. As to new-new party Diet members who come from parties other than Komeito, we will decide on support based on the standard of character. Furthermore, concerning the possibility of supporting LDP Diet members, at this time it still cannot be said conclusively, but it is theoretically possible." If support of LDP Diet members were to become a reality, Soka Gakkai would, to that extent, become a hostile group to the new-new party, so it indicates a complicated condition.

What is hidden behind the moves of division of Komeito and liberalization of Soka Gakkai support? One of the heads of Komeito once revealed that "Honorary Chairman Ikeda is always dealing with matters by an eye which sees in many directions simultaneously. He takes out insurance by preparing a number of options. He never does something dangerous like betting everything on one option. That is the strength of the Ikeda style and the secret that allows him to maintain power for a long time," and this time the avoidance of "total participation" in the new-new party makes me sense the same kind of strategy.

One of the aims is to shake up the LDP. Since entering the special Diet session, in such places as the budget committees of both houses the LDP has intensified the tone of its criticism of Komeito and Soka Gakkai's "unity of politics and religion," and has repeatedly requested that Honorary Chairman Ikeda be summoned as a witness.

The unified relationship is attacked with such comments as: "the religious facilities of Soka Gakkai are being used as Komeito's election facilities at election time" (Jiro Kawasaki of the LDP), and Komeito is tenaciously investigating suspicions about the stock transactions of Transport Minister Shizuka Kamei, who is regarded as the main actor in the campaign of criticism, so it heightens the aspect of a mud-slinging match.

Is it a Mating Call for "LDP-Komeito Cooperation"?

On the other hand, tactics which give the impression of "LDP-Komeito cooperation" have been developed, including the Akiya statement referred to previously. The fact that part of the content of the "off-the-record conversation" between Honorary Chairman Ikeda and the media around the middle of September was reported in some weekly magazines was also one of the tactics; it is said that its being leaked was calculated. Here, too, the possibility of LDP-Komeito cooperation was spoken of, and a leader of the LDP speaks of the possibility of

separating Komeito from the new-new party, saying: "We are receiving it like a mating call. For its part, the LDP also cannot go on repeating criticism of Komeito and Soka Gakkai forever. Our relationship is such that we have also cooperated in elections and in the Diet before this, so it is a relationship in which we can get back together at any time. The long amicable relationship between Ikeda and some core members of the LDP still exists. A time to unite will probably come one of these days."

The LDP has become apprehensive about Soka Gakkai votes in the changeover to a single-seat district system because, if Soka Gakkai votes all went to non-LDP forces, it would be a situation in which danger of an LDP defeat seems likely to grow stronger. That sense of danger reached its peak when, in the results of the 11 September voting for the Aichi District upper house by-election the decisive factor in the overwhelming victory of the candidate of the parties of the former coalition was a large volume of Soka Gakkai votes.

It is certain that LDP criticism of Komeito and Soka Gakkai, and demands for summoning Ikeda, are filled with passion also because the LDP is aiming at diminishing the image of Soka Gakkai votes; intending to moderate that, the Soka Gakkai side tries to appease the LDP by sweet talk of LDP-Komeito cooperation. It is a response to being shaken up.

Another aim is probably to check the new-new party. By giving up "total participation" and adopting the two-stage party-secession formula, the Soka Gakkai side is trying to strengthen Komeito's voice within the new-new party.

There is also the view that "Komeito is clever. It dragged the new-new party this far by the 'Ichi-Ichi [Ichiro Ozawa-Yuichi Ichizawa] line," but it came to the stage of forming the party, and it not only began to speak of splitting the party, but also began to allow disagreement to surface even on such policy questions as whether to incorporate the right of collective defense into its basic policy. But the Ozawa side thought that, if it were also abandoned by Komeito following the SDPJ, it would lose everything. It probably has to compromise in various ways. Even if it is sure that the Komeito would never go over to the LDP side, one never knows what will happen in the current political situation. I sense that it is being stirred up by the Ikeda strategy" (LDP executive).

But the one who set forth, not that kind of strategy, but the theory of "the hedgehogs' dilemma" was former Komeito chairman Junya Yano. "Two hedgehogs meet on a cold winter morning. When they tried to temper the cold by warming each other up, they ended up wounding each other because of their quills. The two separate once. But they have a hard time enduring the cold, so they approach each other again. While repeating this they discover the distance at which they can warm themselves to some extent while wounding each other to some

extent. This fable of Schopenhauer's is called 'The Hedgehog's Dilemma.' The relationship of Komeito and the new-new party resembles this fable."

"If one hedgehog has a sense of injury when the quills of the other are too stiff, it goes on amplifying a kind of aversion."

Yano says that is why the capacity of the new-new party to understand and tolerate was tested. Yano tries to understand it, as is natural, from a viewpoint sympathetic to Komeito, as the troubles of an organization-party with a different character.

If that is the case, smooth participation by Komeito will be achieved if only the two search for their "appropriate distance," but it appears to me to be a deeper problem.

Can They Assimilate With the New-New Party?

The key will be the extent to which Diet members who join the new-new party after dissolution of Komeito will be able to get along with and assimilate with the other party, or whether they have a strong will to assimilate. At a time when the trend toward two large parties is growing stronger, the leeway for Komeito to exist independently is disappearing. As is found in Ozawa's statement at the beginning, even if Komeito challenges independently an election by the single-seat district system, "defeat of all members" is certain. Therefore, its only choice is to survive by placing itself within the trend of two large parties, but that method of survival is not clearly visible.

As Ozawa says, it is uncertain whether Komeito seriously resolved to exist within "a different new group." Even if they dissolve the party, the story will end up being different if the old Komeito group does not loosen its solidarity, and freely resorts to trickery.

If we assume that the old Komeito group secured about 50 persons, it would be a case in which it would be easy to control the decisive votes for forming the majority faction in establishing a government. The policy line of splitting the party, and the preparation for partial cooperation of the LDP and Komeito make me suspect that they are strategic moves to prepare for that.

However, it is not desirable to get too carried away by schemes. I hope for Komeito and Soka Gakkai measures that are easy to understand.

Tokyo Election May Split Ozawa-Ichikawa Union

952A0008A Tokyo SANDE MAINICHI in Japanese 9 Oct 94 pp 26-31

[Article by Taiichiro Kobayashi and Hajime Yuasa, SANDE MAINICHI reporters: "New-New Party Embraces 'Bomb'; Governorship Election May Split 'Ichi-Ichi' Union"]

[FBIS Translated Text] *The former coalition parties founded a parliamentary group, "Kaikaku" [Renovation],*

on 28 September and, at the same time, set up a preparatory committee for a new party. They are working fervently to establish a new-new party. Viewed from outside, this is working out smoothly; however, the intentions of each faction are getting complicated, and it seems as if they are embracing a time bomb which may explode at any time.

A new problem has arisen that may become an obstacle to the former coalition forces which are in a hurry to form a new-new party that differs significantly from the current coalition government.

It is the existence of a "bomb" that may cause a "new twist," one that differs from the last election, in the Tokyo governorship election, which would be the most decisive battle in the nationwide local election next spring.

That "bomb" is an "agreement" between the LDP [Liberal Democratic Party] Tokyo chapter and the Tokyo Metropolitan Assembly of Komeito concerning the governorship after Suzuki. This agreement shows that, although the LDP and Komeito are in opposition to each other at the central government, they cooperate in governorship election efforts.

This began with a meeting held between executives of the LDP chapter such as Kaoru Yosano, minister of education and chairman of LDP Tokyo chapter, and Tomio Fujii, chairman of Tokyo Metropolitan Assembly of Komeito, in early September.

In this meeting, both sides are said to have confirmed their direction that, "on the Tokyo Metropolitan Government level, the LDP and Komeito will shape the framework of the governorship election together and select candidates based on that framework."

With this recognition, Yosano and Takenori Kanzaki, member of the House of Representatives from Komeito and floor leader of Komeito, also held a meeting.

Hiroshi Yamada, member of the House of Representatives (Tokyo No.4 district) of the Japan New Party, saying that this was his personal opinion, points out, "This may be a 'suicidal act' for the new-new party."

"For having been a member of the Tokyo Metropolitan Assembly, I am very well aware that the Tokyo Metropolitan Government has been influenced by the LDP-Komeito-DSP [Democratic Socialist Party] in contrast to the SDPJ [Social Democratic Party of Japan]-Japan Communist Party. However, it is a crucial time right now to decide whether what is going on in the central government would influence local governments. By the time we have the nationwide local elections, a new-new party will have been established in the central government, and it would have candidates in local elections. If 'Komeito of Tokyo' 'shares LDP candidates,' its impact on other elections would be much too big. Frankly, although they are friends, they will become enemies. So this will be a big blow for Komeito as well."

In the governorship election three years ago, the Tokyo Metropolitan Assembly of LDP supported the candidacy of Shunichi Suzuki and the LDP headquarters led by Secretary General Ichiro Ozawa and Komeito supported Hisanori Isomura, a former NHK newscaster, and the election turned into an extremely fierce battle. Since Suzuki's election, however, Komeito has reestablished the relationship with the governor, and now they hold a "quasi-government party" status. Therefore, they have no animosity against each other as they used to have in the Tokyo Metropolitan Assembly, and there is no sign of confrontation between the former coalition and government parties that exists in the central government.

It has been difficult for the LDP to win the governorship election alone. And yet, even if to join forces with the SDPJ as they did in the central government, there are only 18 SDPJ members in the Tokyo Metropolitan Assembly, and only one Diet member, Sadao Yamahana (Tokyo No. 11 district), a former chairman. They cannot expect many votes.

On the other hand, Komeito holds 25 seats in the Tokyo Metropolitan Assembly, second to the LDP's 44 seats. It is the "second-largest party." Having Soka Gakkai as its supporting body, its ability to collect votes is reliable. Naturally, joining hands with Komeito in the governorship election would be a "shortcut to victory" for the LDP. However, that will not do. If the LDP cooperates with Komeito, it must also join hands with Shinseito [Japan Renewal Party], the Japan New Party, and the DSP, which are allies of Komeito in the central government, and with the SDPJ, which would not have its own candidates; as a result, the election would be completely in "doldrums."

However, some, who are opposed to helping the LDP "win by default," are advocating "war."

Koichi Yoshida, Shinseito member of the House of Representatives (Tokyo No. 5 district) says, "It would be improper for the new-new party to share the LDP chosen candidate with them in the Tokyo governorship election, which would be the decisive battle and the most important one in the nationwide local elections. In addition, what the LDP is doing now is more like matching numbers, that is, 'it joins hands with Komeito since it would not be able to win alone.' For Komeito to join them would create the election 'distorted' again in a more or less different way than the last election. We must win, but it would be more proper for the new-new party to have its own candidates."

If this becomes true, what would the Tokyo Metropolitan Assembly of Komeito do? Depending on the situation, there may be disharmony among new-new party members.

Shinseito Members Do Not Approve of Sharing the LDP Candidates

Clearly, there was the prevailing sense of "war-weariness" that "we have had enough of the cutthroat

competition elections like the last one" in both parties and that contributed to their joining hands. They want to have a "election with candidates whom everybody can support." It would be the easiest to agree with the selection of Governor Suzuki.

However, Taiichiro Nishikawa, Shinseito member of the House of Representatives (Tokyo No. 6 district), flatly refuses to agreeing to the idea by saying, "I fully share the feelings of the metropolitan assembly members who want 'a candidate whom everyone can support.' However, that is like 'once bit, twice shay.'"

"On the national level, it is certain that a new-new party will be formed within this year. The new-new party would have to have a very good reason not to sponsor a candidate to oppose the LDP in the governorship election next spring. I believe that Komeito is "a part of our new-new party" and is "a party that fights elections fairly. Besides, although I cannot disclose the names, we have many who are suitable for the governorship. December is not too late for selecting candidates."

Kunio Hatoyama, a former minister of education, and Koji Kakizawa, a former minister of foreign affairs, of the new-new party are rumored to be candidates for the governorship, and if politicians of great caliber like these two run for the governorship, it is inevitable that there will be a fierce contest. It is certain that an intense tug of war would begin concerning the issue of Komeito that would involve the central government.

On 15 September—Respect for the Aged Day—the morning issue of YOMIURI SHIMBUN reported, "Deputy Cabinet Secretary Nobuo Ishihara to succeed;" "he has already been notified." Mr. Ishihara, who was said to be the "successor" of Suzuki, whose office lasted four terms (16 years), has been rumored to be the "governor's choice." Like governor Suzuki, Mr. Ishihara is a former official of the Ministry of Home Affairs and is one of the so-called favorites.

However, Mr. Shigeru Kasuya, LDP member of the House of Representatives (Tokyo No. 4 district), who says to have received a phone call from the governor on the morning of 15 September, says, "YOMIURI reported what the governor had said in an interview about a week ago, in response to a question, 'What about Mr. Ishihara?' I heard him mention Mr. Ishihara's name in the previous governorship election (spring of 1991), but I haven't heard him say anything about Ishihara this time."

A senior official in the LDP Hyosuke Kujiraoka, member of the House of Representatives (from Tokyo No. 10 district, he is currently a nonpartisan because of his position as vice speaker), who also received the governor's phone call, says, "I have not heard the governor mention the name (Ishihara's name) as yet. If he had decided on the successor, he would have informed me and Mr. Kasuya first. When I received his call, I had

advised him to state clearly in the press conference, 'I mentioned his name only in the past election.'

About a month ago, Mr. Kasuya and Mr. Kujiraoka were invited to the governor's official residence for dinner. However, the governor would not talk about the "important matter." Finally Mr. Kasuya broke the ice by saying, 'By the way....' The governor flatly said, 'I haven't thought about it yet.' That was the end of the conversation.

Sure enough, Governor Suzuki partially admitted in an interview at the metropolitan government office that "I have mentioned the name of Mr. Ishihara as my personal opinion." But he expressed his displeasure, saying, "That report was put together by interviewing various people and was not exactly what I said." And without mentioning whether he will resign or continue his governorship, Suzuki said, "I would like to make a decision after thoroughly consulting with each party of the metropolitan assembly and those concerned."

Some in the metropolitan assembly say coldly, "If Mr. Ishihara is the favorite, it is too early to have his name mentioned. Usually one whose name is mentioned first would be beaten down." We also hear that "those close to the governor are saying, 'it is possible that the governor might run for the fifth term.'"

A certain long-time member of the metropolitan assembly says, "The governor wants to keep the framework of unified parties. In that sense, Mr. Ishihara is still his choice. That is probably why he was so vague in the interview. His real intention would be to stall for time until his announcement of his decision on whether to resign or continue."

"Central Government and Metropolitan Government Are Different!"

Governor Suzuki has said in the Tokyo Metropolitan Assembly that he will make a formal announcement of his decision whether to resign or continue in his office "at the regular meeting in December." Will the "abdication" of the office to Mr. Ishihara take place then?

On this point, we would have to wait for Governor Suzuki to speak up. However, it seems that the positions of the LDP and Komeito have been already set, regardless of who the candidates are.

Mr. Kasuya shows his position to share candidates among parties by saying, "The central government and the metropolitan government are different. The next election will be handled in a way that all parties, except the Japan Communist Party [JCP], can agree on. We will be talking to Shinseito and the Japan New Party so that we can fight the election together."

Komeito's Tatsujiro Hashimoto, secretary general of the Tokyo Metropolitan Assembly, responds to LDP movement by saying, "Mr. Ishihara is the governor's choice and I have no doubt that he is a great person. Suppose we

pick someone else since there are many in Tokyo who are suited for the governorship, then, it may take time (in selection), but all parties will be able to cooperate in supporting a common candidate." Under the current circumstances, his position to support cooperation among parties is unshakable.

However, in this case, the result will be only one of the two. Either the governorship election will be a "calm election where all parties cooperate except the JCP, and there will be problems with the central government, or the new-new party will be divided into "Komeito versus former coalition government parties."

What draws our attention is the "Ichi-Ichi" line of Ichiro Ozawa, secretary general of Shinseito, and Yuichi Ichikawa, secretary general of Komeito.

Mr. Ozawa resigned from the post of secretary general, taking responsibility of the defeat in the last Tokyo governorship election. Now that he has separated from the LDP, his anti-LDP feeling is increasing. Some are doubtful that he would agree on the candidate selection supported by the LDP together with Komeito.

That means Mr. Ichikawa will have trouble coordinating Komeito metropolitan headquarters' candidate and Ozawa's candidate. This may cause a crack in the relationship between the two.

The damage suffered from this would influence other local elections, the House of Councilors election in the summer, and the general election under the single seat constituencies system. The "time bomb" planted in Tokyo governorship election is surely ticking.

Behind the Scenes of Komeito Movement To "Split"

Komeito, which enjoys a strong organizational power in the former coalition power, has decided to split the party. This is supposed to be a transitional procedure. But will it really be able to merge into a new-new party? What is its real intention be...?

Komeito held an expanded Central Committee meeting on 21 September and decided to divide the current party into "Komei-Shinto" and "Shin-Komeito." This is a two-stage plan in which the former will merge into a new-new party and the latter will be decided upon discussion after the nationwide local election in next May.

Komei-Shinto will consist of 65 Diet members, including members of the House of Representatives and the House of Councilors, who are scheduled for by-election next July. Shin-Komeito consists of the remaining members of the current Komeito such as 11 members of the House of Councilors, who are not scheduled for by-election, local assembly members, and the party employees.

Why did Komeito have to go through such a complicated procedure?

As for the main reason for the two-stage plan, Komeito lists the handling of its 600 employees, including its party newspaper "KOMEI SHIMBUN" staffers.

"KOMEI SHIMBUN," which employs 240 people, has a circulation of 600,000 (daily paper) and 800,000 (Sunday paper). A new-new party does not have the financial means nor is it ready for inheriting such a reputable newspaper. They cannot afford to have 360 office workers, either.

"Both the chairman and the secretary general have repeatedly assured that our status will be guaranteed. A new-new party has not yet been fully prepared in terms of salary, pension, employment insurance, etc. It is natural that the employees should remain in Shin-Komeito" (Mr. Susumu Toshi, KOMEI SHIMBUN director).

This is why Komeito cannot totally merge into a new-new party.

In order to show how difficult to merge Komeito altogether into a new-new party, Secretary General Yuichi Ichikawa invited members of of Shinto organizers to KOMEI SHIMBUN for a tour.

Another reason is the resistance of more than 3,000 local assembly members. Unlike the central government, there still remains LDP-Komei-DSP line in local governments. In many cases, the primary party LDP and the secondary party Komeito form the government party. Besides, the preparation for next year's nationwide local election is well on its way, and it is difficult to change the label "Komeito" to a new-new party at this point.

Under these circumstances, Komeito decided in the central committee meeting of 30 August to maintain the main body of the party, and only those in the House of Representatives and the House of Councilors who are scheduled for by-election to merge into a new-new party.

Former Coalition Counting on Komei's "Dowry"

However, in Shinto organizers' meeting, which started on 5 September, other parties complained that "Komeito should not send only its Diet members." The reason for this complaint is money. In other words, the issue concerns the government subsidy, which will be applied as early as next year in compliance with the political party aid law. However, the subsidy has an upper limit, which is two-thirds of the previous year's actual revenue. Assuming the former coalition parties merge into a new-new party, approximately 10 billion yen will be granted to a new-new party.

The actual revenue of former coalition last year were as follows: Komei had approximately 17 billion yen, DSP had approximately 5 billion yen, Shinseito had 0.8 billion yen, and the Japan New Party had approximately 0.5 billion yen. Unless Komeito joins a new-new party, combined actual revenue of the parties of a new-new

party would be 6 billion yen, and applying the upper limit regulation, the amount of the aid would be only 4 billion yen.

It would be devastating if a new-new party's aid money decreases by 6 billion yen. Secretary General Ichikawa came up with the idea of separating Komeito as mentioned earlier after promising to reconsider to the other parties in the organizers' meeting. By letting Komei-Shinto, which is to merge a new-new party, take 14 billion yen out of the 17 billion yen as their "dowry," a new-new party's previous year's actual revenue will be 20 billion yen.

Considering "KOMEI SHIMBUN" with the sales figure of 10 billion yen will remain with Shin-Komeito, his idea is an extraordinary plan. But Komeito itself has agreed. The executives of the party's supporting body Soka Gakkai, also got together in Karuizawa a few days ago and approved this plan.

What the parties of the former coalition are counting on more than Komeito's funding ability is its ability to collect votes.

In the House of Representatives by-election in Aichi (11 September), in which the former coalition won big, local candidate Takashi Aoyama, floor leader of the DSP, was stunned by Komeito's vigorous election campaign.

"The first week after the notification, we saw unfamiliar campaigners. They turned out to be local assembly Komeito members elected from Kyushu districts. From prefectural assembly members to members of assemblies of cities, towns, and villages all rushed into our area. Our locals could not afford to be taking it easy. No sooner than they left in the second week, we had their members from the Kanto region. All meetings were full. I felt embarrassed of our party."

In fact, this type of campaign was so effective that 96 percent of Komei supporters voted for the candidates supported by the former coalition.

However, to rely on funds and organizational power of Komeito means to lose the votes from some groups that have traditionally supported rest of the parties, especially religious organizations which conflict with Soka Gakkai. This had been the dilemma for other parties of the former coalition.

In mid-August before the by-election in Aichi, Masao Yamada, director of Peace Research Center of Rishso Koseikai, met with Mr. Aoyama and Mr. Saburo Tsukamoto, former DSP chairman, and told them, "If you join with Komeito in a new-new party, we cannot support you in the next election." Traditionally, Rishso Koseikai has selected and recommended candidates from parties other than Komeito and the JCP on the basis of "character." However, "As the division of single-seat constituencies continues, we need to recognize a new-new party plan and reassess our support" according to the Public Relations Dept. of Rishso Koseikai.

Despite the resistance of these anti-Komeito powers, the DSP and Japan New Party, which had some negative opinions, have crossed the Rubicon and joined a new-new party. Among the former coalition parties, it may very well be Komeito alone, which still has some "doubts" about joining a new-new party.

Masao Akamatsu, deputy secretary general of Komeito, admits frankly "the party's inside situation," which does not allow the whole party to move toward establishment of a new-new party, by saying, "Unlike conservative members who are under individual support organization system, Komeito is an organizational party and is not free of burden (responsibility). Also, the current combination of government and nongovernment parties is not permanently fixed. It would not be safe to totally entrust a new-new party with our fate."

Soka Gakkai May Consider Supporting Other Parties

Meanwhile, the supporting body Soka Gakkai has begun to waver. In his interview after the regular conference between Komeito and Soka Gakkai on 22 September, Vice Chairman Isao Nozaki implied Soka Gakkai's possibility to consider supporting parties other than a new-new party. He said, "With the establishment of a new-new party, we will reevaluate our policy to support Komeito alone. Party support will have to change its form." Concerning this point, another vice chairman, Mr. Hiroshi Nishiguchi explains, "Komeito had been brought about by ourselves, and we have automatically supported it. But since the separation of religion and politics is the rule, we will no longer have to be bound by a new-new party. I have no idea how the political situation will develop in the future. It may be even possible for us to recommend an LDP candidate." Does this mean that Soka Gakkai, which has been leading a new-new party line as the supporting body of Komeito, may turn their steering wheel sharply?

One of its senior executive confesses, "Our younger people are completely sold out to joining a new-new party. However, this may lead to a mistake in the future. We should have an insurance."

Is Shin-Komeito, which is to be left in the process of the two-stage plan, that "insurance?" Or will this lead to a break down of a powerful organization, which was envied by all the other parties? This may have a great impact on the future of a new-new party at the same time.

Concerning the time frame of integration of divided Komeito as a whole, Mr. Takenori Kanzaki, the floor leader of Komeito, answered in a press conference, "we would like to complete it by the time of the House of Councilors election four years from now." However, there is nobody that can predict what the political situation in four years would be like at this moment when the political world is going through a drastic change.

*** Strategy of LDP's Seiroku Kajiyama Examined**

952B0077A Tokyo *SENTAKU* in Japanese Dec 94 pp 56-57

[Article by Jirai (pen name): "View of Political Circles"]

[FBIS Translated Text] In political circles there are always a number of persons who make one think that they want to be allies of the powerful person of the moment. They are adviser types who are constantly devising schemes, and are reliable.

Once that was true of Shigeru Hori, Sunao Sonoda, Rokusuke Tanaka, and Shin Kanemaru; now Seiroku Kajiyama, the former secretary general of the Liberal Democratic Party, is probably one of them. Prime Minister Tomiichi Murayama invited Kajiyama to the Prime Minister's Official Residence on 8 November, and was deep in conversation with him for all of about an hour and 20 minutes while they had lunch together.

There is no doubt that the one who was watching this with the greatest concern was Shinseito [Japan Renewal Party] Secretary General Ichiro Ozawa, who was once Kajiyama's opponent in the "Ichi-roku [from Ichiro Ozawa and Seiroku Kajiyama] war." In 1992 Ozawa reacted wildly against then Prime Minister Kiichi Miyazawa trying to appoint Kajiyama as secretary general.

It was because Ozawa was well acquainted with Kajiyama's ability. At that time Ozawa was already planning a new party. He was wary that, if Kajiyama occupied the nucleus of the LDP, it would not only be difficult for Ozawa to deploy troops in the former Takeshita faction, his launching of a new party would be obstructed.

The "Ichi-Roku war" is still continuing. It is probably offensive for Ozawa to see Kajiyama become a stick that props up the Murayama government. It seems as though the showdown between Ozawa, who is racing to create a new-new party, and Kajiyama, who is supporting Murayama and trying to challenge another battle, will become a rather long war.

When, at the meeting on the 8th, Murayama disclosed a seasoned frame of mind, saying: "Personally, I am ready to resign at any time," Kajiyama encouraged him, saying: "I understand how you feel, but we have had four prime ministers in a little over a year, so Japan has lost the trust of other countries. The government should also value a long term for the sake of Japan." He also added: "If I can be of any service please tell me. Because I will act at any time...." But this statement was something like creating a smoke screen; Kajiyama had been acting since long before.

It has become conventional wisdom in Nagata-cho that Kajiyama is the central figure who wrote the scenario of the grand coalition of the LDP and SDPJ, and when asked about that immediately after the inauguration of

the Murayama government, Kajiyama admitted it with a self-effacing turn of phrase, saying: "There is no doubt that I was one of those who were hoping for (the grand coalition). I have very little ability, but I was graciously allowed to make an effort in my own way." Kajiyama has a relationship of four or five years' standing of being referred to with Murayama as the "Yama-Yama team" since the time when each was chairman of the respective Diet Affairs Committee of the LDP and SDPJ.

Kajiyama praises Murayama's character to the skies, saying even recently that: "He sticks to his own opinion until he persuades you. He is not a double-dealer; he will honor without fail what has been settled. We have a relationship of trust. In the aspect of striving after having been born poor he also resembles America's Lincoln." It is also excessive praise, but it makes one sense his tenacity of purpose to try to deliver his utmost to support Murayama for the present.

However, there were also many who took it as a rapidly built improvised government from the fact that the drama of supporting Murayama gave a strong impression of unexpectedness, and the fact that Kajiyama had the image of a Machiavellian who is a fighter. It was also viewed as a grudge match that Kajiyama and former Prime Minister Noboru Takeshita arranged in order to take back the governing power which was once usurped by Ozawa.

There was probably that aspect too, but it seems unlikely to be that alone. Kajiyama once stated, last year in a certain magazine's interview titled "Social Democratic Party of Japan, Have Confidence," "Your SDPJ is a valuable entity which you must invigorate in the future," and sent the magazine's galley proofs around to Murayama before anyone else. This supports the scenario of the grand coalition being something which he had been devising since 1993, not a casual idea of the moment.

Kajiyama explains in this way his reason for getting the idea that he should join with the SDPJ:

"The Soviet Union collapsed, and it will be dangerous if planned-economy type thinking disappears and it becomes only the logic of the strong. Because in order to go on surviving in the international community after this, we must combine resources and environment and the North-South problem, but it will be impossible just by the logic of the strong. We must preserve socialistic ideas and methods and accept them. Socialistic ideas will not perish. Therefore, I think it is proper for the LDP and the SDPJ to fuse and join together."

One can hardly believe that this is the statement of a person who at one time was labeled a conservative. But at a time when, lately, people are walking around talking about introducing socialistic methods like pet theories, and Murayama will give a speech on his administration's policies at the regular session of the Diet in January 1995, Kajiyama is trying to incorporate that direction.

He also says: "In the 1955 setup, the LDP, internationally, enlarged the pie by introducing the U.S. principle of market competition, and, domestically, adopted the distribution theory of which the Social Democratic Party of Japan and the Japan Communist Party speak. Because of that, a society this fair and this equal came into being. Up to now we were in that kind of relationship while competing, this time we are trying to aim at the same thing by fusing and harmonizing."

Countering the fact that the opposition party side, such as Ozawa and Shinseito party head Tsutomu Hata, persistently repeats the criticism that the current coalition government is an illicit union, Kajiyama is absorbed in arming the LDP-SDPJ coalition government in terms of theory. But I cannot believe that the argument of the LDP-SDPJ merger, which sounds a bit fantastic, will be accepted easily by society by this much of a statement.

"Politics is something which is conducted by schemes in which policy and strategy merge," is Kajiyama's favorite saying, but in regard to the LDP-SDPJ coalition one cannot escape the impression that strategy goes first and policy is following along after it. Whether it will be possible to make the Kajiyama-style fusion argument deeper is probably one of the points for the future.

Kajiyama is 68 years old, born at the end of the Taisho era. He is not young, but his eloquence has not diminished in the least. His humorous style of speaking, with Ibaraki dialect mixed in, goes on without a break and overwhelms those around him. His recent speech and action have also begun to hint of a generational argument.

He constantly repeats "a unique nation," saying such things as: "I think the Japan which had personal experience of war is a unique nation. I will not be able to die unless I pass at least this fact on to the next generation. The most important thing as a politician is peace. No matter what happens, I do not want to involve the people of the nation in war." It is certain that he is conscious of Ozawa's "normal nation" argument, and he is wary that Ozawa and his associates might be trying to marshal constitutional revision forces by introducing the system of single-seat election districts.

The three heads of the governing parties, Murayama, Kono, and Takemura, and Kiichi Miyazawa and Masaharu Gotoda as well, have something in common in this dovish policy line, and it seems that it is also likely to be an element which makes the LDP-SDPJ government take root. But Kajiyama opposes the system of single-seat election districts, saying: "There is danger that it will produce one large party and one weak one, so it will be a terrible situation," so on this point he conflicts with Gotoda. It is a sign that Kajiyama, a hot-blooded Mitoite (elected from the Ibaraki Second District) will create a whirlpool in the midst of the increasing fluidity of political circles, and go on starting arguments.

In 1993 Kajiyama published a revised edition of his book of 10 years ago, *Keinosuke Kajiwara and the Mito*

Tengu Party. Keinosuke was the younger brother of Kajiyama's great grandfather. He joined the Tengu Party of the closing days of the shogunate and was executed in Tsuruga. When revising the book, Kajiyama added a passage as though talking to himself: "Human beings do not act on the basis of ideology alone, but uniting people, and making them have ideals and goals, and making them press on toward them is one ideology..." He appears to expect something.

In the uproar over the LDP becoming an opposition party in the summer of 1993, he was spoken ill of as "an evil deputy" and so on, but something may start from around Kajiyama, who gives a feeling of being reborn.

MITI To Prioritize Policy Toward New Businesses

OW1601012295 Tokyo ASAHI SHIMBUN in Japanese
7 Jan 95 Morning Edition p 13

[Unattributed article]

[FBIS Translated Text] This year, the Ministry of International Trade and Industry [MITI] will place its priority on carrying out a policy designed to foster new businesses. Under the policy, MITI will provide subsidies for the development of technology by small and medium-sized enterprises, expand the guarantee of obligations, and hold seminars on founding businesses. MITI plans to carry out the policy in a bid to prevent the "hollowing out of industry" which could result in decline in local economies and a fall in employment amid the growing trend that Japanese enterprises of all sizes are moving their production bases to other Asian nations in the wake of the appreciated yen.

During the next ordinary Diet session MITI plans to submit a "law on the promotion of creative small and medium-sized enterprises" (tentative name) which aims to help found small and medium-sized enterprises and a "law on the smooth renovation of business" (tentative name) which aims to help found new businesses. MITI intends for the nucleus of the industrial policy to be tax cuts for plant and equipment investment, which is incorporated in the guideline for revamping the tax system in 1995, and subsidies for the development of technology and the low-interest loan system.

In addition to the two laws, MITI will raise the ceiling on the amount of the guarantee of obligation without collateral by the Venture Enterprise Center (VEC), an organization under its administrative oversight. The government has already decided to increase its investment in the VEC by 350 million yen in the 1995 budget. MITI plans to increase the amount of loans from 80 million yen to 100 million yen for each venture manufacturing business and from 40 million yen to 50 million yen for each venture service business, while urging the private sector to increase its investment in the VEC.

According to the results of a survey conducted by the People's Finance Corporation, if one is to found his own

business, he mainly has to use his own funds and loans from banks to found the business. Banks have a tendency to be reluctant to give loans to business founders because of their lack of collateral. The guarantee of obligations makes it easy for those business founders to borrow money from banks.

Until now, public offerings have been restricted to five companies a week. The Finance Ministry, acting at the request of MITI, has decided to remove the restriction effective April of this year. The removal of this restriction will make it easy for somewhat established enterprises to offer their stocks in public as a means to raise funds from sources other than banks.

MITI will subsidize half the cost for local chambers of commerce to hold three seminars a year on founding businesses and industry for people eager to found businesses, and the rest of the subsidy will be borne by prefectural and municipal governments. In the seminars, people desiring to found businesses will be briefed on examples of successful ventures and the method of founding businesses and running them. Experts will be sent to help business founders draw up business plans while providing consultant service to them.

Information about the government's measures to foster new businesses will be available in MITI and in the trade bureaus of prefectural governments. MITI and those local trade bureaus will be fully prepared to answer any questions from prospective business founders.

North Korea

Ministry Spokesman Discusses ROK-Style Reactor

SK1601101995 Pyongyang KCNA in English 1010
GMT 16 Jan 95

["FM Spokesman on Three-way Working-level Negotiations for Provision of LWRS to DPRK"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, January 16 (KCNA)—A spokesman for the Foreign Ministry of the Democratic People's Republic of Korea answered a question put by KCNA today concerning foreign news reports that the U.S. side is going to label the light water reactors [LWR], which will be provided to the DPRK under the framework agreement between the DPRK and the United States, as South Korean model.

He told KCNA:

The United States, Japan and South Korea held three-way working-level negotiations on the establishment of an international consortium for the provision of light water reactors to the DPRK (Korea Energy Development Organisation) in Washington from January 9 to 12 and reached an agreement on specifying the term "South

Korean-style light water reactor model" in the contract for the provision of the reactors, according to recent foreign news reports.

If this is true, the agreement is obviously underlaid with a sinister political purpose of some forces including the South Korean authorities who dislike the DPRK-U.S. framework agreement and try to obstruct its implementation at any cost.

As for the reactor model, it had already been discussed as a serious political issue at the third round of DPRK-U.S. talks in October last year and at DPRK-U.S. negotiations on the provision of light water reactors, and the United States had expressed understanding of the DPRK's unshakable position opposed to the South Korean model.

So, the United States promised to provide us with two one million kw light water reactors by forming a U.S.-sponsored international consortium.

Nevertheless, it intends to specify the term "South Korean-style reactor model" in the contract. This means that it is unwilling to resolve the LWR issue under the DPRK-U.S. agreement.

The U.S. side must know that if it delayed the provision of LWRs, joining hands with the dishonest forces, it would lose both the crabs and the mesh bag. We will not answer for the complicated situation caused by it.

We know nothing more than that the United States shall provide us with LWR facilities through an international consortium as stipulated in the DPRK-U.S. framework agreement.

We take note of a report that a U.S. official recently said it is the U.S. position not to attach the term South Korean model to the LWRs to be provided to us. We consider it to be the wisest behavior.

Paper Criticizes ROK's 'Bellicose Outpourings'

SK1501084395 Pyongyang KCNA in English 0825 GMT 15 Jan 95

["Ill-Boding Bellicose Outpourings"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, January 15 (KCNA)—Chairman of the Joint Chiefs of Staff Kim Tong-chin, South Korean puppet military boss, called together "leading commanders" and shouted at them to build up "powerful security posture" of the puppet army, "put the army in a perfect preparedness" and maintain the utmost combat posture" and "alertness" this year.

Commenting on this, NODONG SINMUN analyst on Sunday [15 January] views this as an open indication of the intention on the Kim Yong-sam traitor clique to race headlong toward North-South confrontation and war this year, too.

The puppets allege that their "security" is menaced by the North, the analyst notes, and says: But this is a mere sophism of the warthirsty elements who seek a war.

It is none other than the Kim Yong-sam traitor clique who menace peace and security on the Korean peninsula. The whole nation drew the conclusion last year again that it cannot evade a scourge of war, far from achieving peaceful reunification of the country, with the traitor clique left alone.

It is not accidental that they have incited a war while committing military provocations in the Demilitarised Zone along the Military Demarcation Line against the North almost every day from the beginning of the new year.

The North is watching the reckless moves of the Kim Yong-sam group with heightened vigilance.

ROK Defense Minister Denounced for Remarks

SK1401045495 Pyongyang Korean Central Broadcasting Network in Korean 1225 GMT 13 Jan 95

[Commentary by Kim Ho-sam: "A Deliberate Maneuver Aimed at Driving the Situation to Aggravated Tensions"]

[FBIS Translated Text] According to Seoul radio, puppet Defense Minister Yi Yang-ho issued a special order, Directive No. 1, to commanding officers of the puppet army. In this order, this rascal called upon the commanding officers of the South Korean puppet army to take on a so-called perfect combat posture and do their best to cope with unexpected situations.

This is a very dangerous, bellicose, and absurd remark that leads the situation on the Korean peninsula back to confrontation and war and shows that the South Korean puppets' military moves are very peculiar [igosun choson bandoui chongserul tasigum taeyolgwa chonjaenguro ikkuroganun maeu wihomhan hojongjin mangballoso namjosen koeroedurui kunsajogin umjigimi maeu sim-sangchi antanun kosul poyojunun kosimnida].

In less than 20 days since his assumption of office, the puppet defense minister recklessly let out a war-related outburst [chonjaeng ondong] that even his predecessors dared not voice. This shows that the rascal is a peerless warmonger.

Yi Yang-ho is from an air corps of the puppet air force. He took an active role for getting back the peacetime operation control from the United States to the puppet army. As has already been exposed, the transfer of the peacetime operations control is a game of formalities [hyongsikhogin kuron norum] between the master and the puppets, in which the latter takes no right to command, leaving the puppet army's training and information functions to the commander of the Eighth U.S. Army. In other words, Yi Yang-ho took the lead in further

strengthening the South Korea-based U.S. forces commander's command and control of the South Korean puppet army.

The aggressive outburst that this person recklessly let out against us as soon as he assumed office as puppet defense minister shows he is a military scoundrel [kunsu purhandang] surpassing all his predecessors.

What matters is why Yi Yang-ho issued such a gun-smelling special order to the army commanding officers at the very beginning of the new year. We cannot help but view this in connection with the current situation in front areas. As everyone knows, a very peculiar situation [maeu simsangchi anun chongse] prevails lately in all areas along the Military Demarcation Line [MDL]. Provocations against us have been staged in succession in areas along the MDL for some 10 days since the beginning of the new year. The South Korean puppet army rascals illegally brought heavy weapons into areas along the MDL in the DMZ, deployed them against our side openly in broad daylight, and even assumed a firing posture against People's Army soldiers for a long time.

While this situation is being created along the MDL, the U.S. forces are staging daily aerial war exercises of northward invasion in the skies. On 11 January, an aerial war exercise aimed at striking us was conducted under the leadership of the U.S. forces. An E-3 early-warning plane that flew the skies above South Korea that day called out many strike air corps and conducted bombing exercises against simulated targets of our Republic.

This war exercise is being conducted by the U.S. Air Force at a time when the maneuvers of U.S. hard-line conservative forces to overturn the DPRK-U.S. Agreed Framework are becoming more apparent [migugui kang posu seryogi chomi kibon habuimunul twijibo opuryonun chaektongi nogorhwadoego innun ttaee]. At a time when this move by the U.S. hard-line conservative forces and the provocations along the MDL by the South Korean puppet army have been strengthened more than ever, the puppet defense minister issued a special order, talking about unexpected situations and a perfect combat posture. We cannot help but take a serious view of this.

What is the puppet Defense Minister Yi Yang-ho's intention behind his special order which incites war [chonjaengul sondonghanun tukpyol chisi]? It is, above all, to put the brakes on the implementation of the DPRK-U.S. Agreed Framework which has already begun. As everyone knows, expert-level talks were held in Pyongyang, Beijing, and Washington according to the DPRK-U.S. Agreed Framework, and the DPRK and the United States will continue contacts in the future. In short, the DPRK-U.S. Agreed Framework is being implemented very well. This is supported and welcomed by the world.

This progress in situation on the Korean peninsula has all the more driven the South Korean puppets to a

corner. This is why the South Korean puppets are desperately trying to reverse the Korean peninsula's situation that has become unfavorable to them, by putting the brakes on implementing the DPRK-U.S. Agreed Framework.

Furthermore, we cannot help but regard with great gravity his bellicose remarks which reveal his attempt to openly get the green light for provoking a war of northward invasion of great gravity [pukchim chonjaeng tobare konggongyonhi purun sinhodungul ponaeryo hago innungot]. Preceding puppet defense ministers of South Korea did not dare to talk of combat readiness and talked of a defensive posture and perfect military readiness. Yi Yang-ho, however, is openly talking of combat readiness, having discarded the coat his predecessors wore.

The South Korean military leaders desperately drag in outside forces in order to openly stifle us by force [urirul himuro konggongyonhi nullo poryo hago issumnida]. However, this is a wrong assumption.

Although the Kim Yong-sam ring continuously runs counter to the trend of the times in trying to inspire a war again on the Korean peninsula, this will only bring it a disastrous end. The Kim Yong-sam ring should be aware that they will be made to pay dearly for their indiscreet behavior and should not act rashly and thoughtlessly.

ROK Army 'Provocations' Inside DMZ Alleged

SK1601015895 Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 11 Jan 95

[FBIS Translated Text] According to a military source, on 10 January, the South Korean puppets brought a large number of machine guns and armed bandits into the Demilitarized Zone [DMZ], where they committed military provocations against us. At around 1520 that day, the puppets moved military vehicles mounted with machine guns and several tens of armed bandits inside the DMZ south of Military Demarcation Line [MDL] Marker No. 0256 in Kukha-ri, Changpung County, and created a warlike confrontational atmosphere.

At around 1445, the puppets brought a vehicle fully loaded with cartridge boxes to a military police guardpost southeast of MDL Marker No. 0058 in Tongcham-ri, Panmun County. At around 1500, they brought approximately 10 military vehicles and armed bandits to the DMZ south of MDL Marker No. 0560 in Chesam-ri, Chorwon County.

In the meantime, several hundred armed bandits of the puppet army armed with machine guns and automatic rifles sneaked into the DMZ south of MDL Markers Nos. 0300, 0710, and 1080 in Pijon-ri, Changpung County; Kundok-ri, Kimhwa County; and Ipo-ri, Kumgang County, and indulged in war frenzies, while recklessly prowling about these areas.

A total of approximately 3,800 armed bandits and approximately 700 military vehicles of the South Korean puppets swarmed into the DMZ in the western, central, and eastern sections of the front line and frantically committed military provocations against us from the beginning of this year until 10 January.

ROK's Purchase of F-16 Fighters Denounced

*SK1401102895 Pyongyang Korean Central
Broadcasting Network in Korean 1100 GMT 10 Jan 95*

[FBIS Translated Text] As reported on 23 December, the treacherous Kim Yong-sam clique held a so-called ceremony to take over the F-16 fighter bombers which were dragged in from the United States, and offered a demonstration flight, thus instilling an atmosphere of war.

The puppet clique's defense budget for last year was 10 trillion, 75.3 billion won, an increase of 10 percent compared with the year before. This year, its defense budget was increased considerably to 11 trillion, 330 billion won, an increase of 12.5 percent compared with last year. The puppet clique is increasing its murderous weapons.

As part of this kind of maneuver, last year alone the Kim Yong-sam ring dragged in much military equipment, including the Apache helicopter for offensive use, the Patriot missile, the (CN-235M) military transport aircraft, the Mistral anti-aircraft missile, submarines, and destroyers. In addition, war equipment for all branches of the armed services were constantly dragged in, such as up-to-date radar and anti-tank missiles; the South is accelerating its production of weapons, including guns, thus changing South Korea into a more dangerous exhibition center of murderous weapons.

While strengthening military collusion with the United States and Japan, the South Korean bellicose group has harbored its ambition to harm its fellow countrymen by borrowing strength from outside forces; it all the more clings to a dangerous war provocation.

The Kim Yong-sam ring organized the new Strategic Plan 5027, which is a war plan to invade the North, and is accelerating its realization. It also instilled war fever while roving around the foremost front regions.

Every day the treacherous clique held various war exercises to invade the North, such as Ulchi Focus Lens, which replaces the Team Spirit joint military exercise; Ssangyong; and Eagle-94, Shield, and Hwarang, which mobilized about 3,400 airplanes and enormous forces.

Even after entering the new year, the traitor Kim Yong-sam continuously committed joint aerial war exercises aimed at invading the North, as well as airborne operation exercises. Thus, the true nature of the vicious anti-reunification elements and war fanatics committed to invading the North are being revealed without exception.

Release of ROK Unconverted Prisoner Kim Urged *SK1301224995 Pyongyang KCNA in English 1507 GMT 13 Jan 95*

[FBIS Transcribed Text] Pyongyang, January 13 (KCNA)—There is in South Korea a person who has been kept in prison for the longest period in the world for the reason that he has refused to be converted. He is Kim Son-myong, an old man of seventy.

He has been suffering behind bars for 44 years since he has taken prisoner as a soldier of the Korean People's Army (KPA) in the fatherland liberation war. The South Korean weekly magazine HANGYORE NO. 21 and Canada-based Koreans' newspaper NEW KOREA TIMES recently carried news of him.

According to them, he was born in Yangpyong, Kyonggi Province, in February 1925. When Seoul was liberated in the Korean War, he joined the KPA. He, belonging to a reconnaissance party of the 31st Division of the KPA, was taken prisoner on a reconnaissance mission in Chorwon, Kangwon Province, in October 1951.

He was sentenced to 15 years of imprisonment at the Seoul General Court-martial in August 1952. In July 1953 he was sentenced to death on an unjustifiable spy charge alleging that "he was not a member of a KPA reconnaissance party but was dispatched by the Spy Unit 526."

His death sentence was commuted to life imprisonment in 1954 and he is now kept in a solitary cell smaller than three square metres at the Taejon Prison.

After he was taken prisoner at the age of 26, he was harshly tortured and has been under constant pressure for 44 years to be converted. Now he is suffering from serious diseases such as gastroenteric disorder, neuralgia, hypertension and cataract.

What he desires eagerly is to meet his 92-year-old mother who is missing him so much, and to see national reunification.

He is undauntedly fighting in jail for his release.

The Amnesty International submitted his case to the "Working Committee on Arbitrary Custody" of the United Nations and made clear its view that his imprisonment was unjustifiable.

It has launched activities of different norms for his release.

The Amnesty International pointed out that keeping him in custody for a long period for a political reason is contrary to the international standards of protection of the freedom of ideology and expression.

The family movement for realising democracy and other human rights organizations of South Korea, too, vigorously struggling for his release.

'Oath' of ROK University 'Repressive Step'

*SK1601050195 Pyongyang KCNA in English 0448
GMT 16 Jan 95*

["Reckless Scheme To Suppress Campus"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, January 16 (KCNA)—Sogang University of South Korea decided to receive from those who take the entrance examination in the 1995 academic year "written oath" not to participate in any form of struggle denying "the liberal democratic system".

Commenting on this, NODONG SINMUN today brands this as another repressive step to crack down on the movement of the students for independence, democracy and reunification and force them into blind submission to the fascist dictatorship and as a prelude to the fascistization of campuses which will be stepped up this year.

Recalling that "president" of Sogang University, Pak Hong, a running dog of the "Agency for National Security Planning" and servant of the fascist dictatorship, who initiated this step, had made nonsensical remarks on "chuche idea faction" last year, providing the "civilian" ruling quarters with a pretext to tighten the fascist "new security-oriented rule", the analyst says:

As far as the "liberal democratic system" in South Korea is concerned, it is the most anti-independent, anti-democratic, anti-reunification repressive system ruthlessly trampling underfoot even the elementary democratic freedom and rights of the people. It is only too natural that this dictatorial system runs up against the strong opposition of the people.

The Kim Yong-sam group made Pak Hong draw water into the water mill of fascism, scheming a new repressive operation, thus fully revealing its reactionary nature again. By crushing the student movement, they intend to block the advance of the masses against the "civilian regime," maintain power and hold the projected "elections to the local autonomous bodies" without difficulty. But it is a foolish act.

The Kim Yong-sam group must abandon the reckless attempt to suppress campuses.

Article on 'False Spy Case' in ROK Cited

*SK1701104695 Pyongyang KCNA in English 1015
GMT 17 Jan 95*

["Background of False 'Spy Case' Exposed"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, January 17 (KCNA)—A revealing light has been thrown on Yi Hwa-chun's "spy case" faked up by the Kim Yong-sam group through the "Agency for National Security Planning" (ANSP).

Its falsity has been exposed by "True Story About 'Operative Fund From the North' and Yi Hwa-chun, Faked 'Spy'", an article contributed by Kim Tae-chong, a freelancer of South Korea, to the December, 1994, issue of the South Korean magazine MAL.

Yi Hwa-chun's uncle Yi Cha-yong, former chairman of the Society of Families of Compatriots for Rescuing Japan-born Korean Political Prisoners in South Korea and a businessman under the influence of the "South Korean Residents Association in Japan (Mindan), had earlier scathingly exposed the falsity of the "spy case" invented by the Kim Yong-sam group to bridge over the crisis of its "regime" by diverting elsewhere the attention of the people.

Kim Tae-chong says in his article:

All the characteristics of the "cases" fabricated by the Kim Yong-sam "regime" are found in Yi Hwa-chun's "spy case". In other words, suspected "spies" are persons once involved in the dissident movement in South Korea and all the "evidences" of "spy activities" are "operative fund from the North."

Yi Hwa-chun's uncle and father had suffered from the so-called "Ullung Island spying case" invented by the "Central Intelligence Agency" [KCIA] in the early 1970s.

Yi Hwa-chun was denied a job for the reason that he was "the son of a spy". It was beyond his capacity to support the family of eight members. He went to his uncle in Japan to ask for help, though he knew that it was very dangerous to call upon him. And, sure enough, the ghost of the "Ullung Island spying case" presented Yi Hwa-chun as a "spy" in 20 years after its fabrication. In the investigation by the prosecution, Yi Hwa-chun denied all the charges that he had reported to his uncle the situation of South Korea and he tendency of the dissident movement there, that his had been educated in the chuche idea and that he had met two "operatives from the North". But, he admitted that he had received money. He made a false statement, yielding to the demand of the "ANSP", unable to endure the no-sleep tortures and beatings and the threat to arrest his family.

The "indictment" falsely charges that he met two "operatives" of the North through the introduction of his uncle when he crossed to Japan for the second time and he received from them the program of "spy activities". But, those "operatives" are fictitious persons without names. This was exposed by No Tae-hun, secretary of the "Drawing Room Group of Human Rights Movement".

Yi Hwa-chun's uncle sent money to him mainly through the Foreign Exchange Bank of South Korea.

The "indictment" says that Yi Hwa-chun's uncle in February, 1990 promised to send money to him when he used the secret word "Hana" (the name of Yi Hwa-chun's daughter) through the international telephone. Reading the "indictment" further, however, one finds the record that in the May 1991, Yi Hwa-chun told his

uncle through the international telephone "please send me about four million won which I need."

Kim Tae-chong says "This is a 'mistake' made by the 'ANSP' while misrepresenting the money received by Yi Hwa-chun as an operative fund".

We cannot understand the allegation that the delivery of the operative fund which must be the top secret, was made through a bank, which could easily be exposed," says Kim Tae-chong.

"The things studied by me hitherto convinces me that the money received by Yi Hwa-chun was not an operative fund from the North," he adds.

Arrival of U.S. Experts Delegation Reported

SK1701132395 Pyongyang Korean Central
Broadcasting Network in Korean 1300 GMT 17 Jan 95

[FBIS Translated Text] A delegation of U.S. experts arrived in Pyongyang on 17 January by plane to attend the second session of DPRK-U.S. expert-level negotiations on the safe storage of spent fuel.

U.S. Plans To Test-Fire Missile Viewed

SK1401120895 Pyongyang Korean Central
Broadcasting Network in Korean 1113 GMT 14 Jan 95

[FBIS Translated Text] According to reports, the United States plans to test-fire an antimissile missile [yokyok misail] in order to achieve its nation-wide missile defense plan [chonyok misail pangwigusang]. The U.S. newspaper THE WASHINGTON POST, quoting remarks by a U.S. intelligence official, reported on 11 January that the United States plans to test-fire a nationwide high-altitude anti-missile missile [chonyok chogodo yokyok misail], which would become the core of its national missile defense plan, in February. It was reported that this test by the United States would be carried out on 14 occasions over the next two years. The national missile defense plan, as a successor to the criminal strategy defense plan [chollyak pangwi kusang], is designed by the United States to gain supremacy [uwikwon] in the area of missiles following the end of the Cold War by modernizing its missile arm.

'War Exercises' of 'U.S. Imperialist Warmaniacs'

SK1501082095 Pyongyang KCNA in English 0808
GMT 15 Jan 95

["Air War Exercises and Military Provocations"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, January 15 (KCNA)—The U.S. imperialist warmaniacs, in league with the South Korean puppets, staged on Friday [13 January] a large-scale joint air war exercise under the command of the E-3 plane in the skies over Wonju, Pyongchang and Anmyon Islet.

Flown in the manoeuvres were 20 odd fighter planes of various types from overseas bases and more than 50 fighter bombers, assault planes, observation planes and reconnaissance planes of the U.S. Airforce present in South Korea and the puppet airforce.

On the 12th of January, the puppets brought a 105mm artillery group, a group of armoured vehicles, and several hundred fully-armed bandits to various places of Kanghwa and Yonchon Counties, Kyonggi Province, under the eyes of the North and fired shells and large-calibre machinegun bullets into areas near the Demilitarized Zone [DMZ].

On January 12 and 13, the South Korean puppets introduced 90mm recoilless guns and dozens of military vehicles and some 1,000 armed bandits into the DMZ in the central and western sectors of the front.

All the military provocations are premeditated moves of the U.S. imperialist warmaniacs and the Kim Yong-sam fascist clique to drive the situation on the Korean peninsula to a grave phase.

Foreign Ministry Spokesman on Ties With Japan

SK1401044595 Pyongyang KCNA in English 0442
GMT 14 Jan 95

["Resumption of DPRK-Japan Talks Entirely Depends on Japanese Side, FM Spokesman"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, January 14 (KCNA)—A spokesman for the Foreign Ministry of the Democratic People's Republic of Korea answered a question put by KCNA today about the false rumour spread by Japan these days concerning the resumption of DPRK-Japan talks.

He told KCNA:

At the beginning of the new year, the Japanese authorities and mass media circulated the false rumor that an official of the Foreign Ministry of Japan had a contact with the DPRK and argued that "Japan has no alternative but to wait because North Korea has not yet responded to the resumption of talks" and that "the ball is in the court of the DPRK side."

As for the alleged "contact" between the Japanese authorities and the DPRK, we have had no contact with Japan and there has been no overture for a contact from the Japanese side of late.

The fundamental reason for the suspension of DPRK-Japan talks is that Japan pursued a sinister political purpose at the talks without showing any intention to atone for the past crimes. It is known to the world that the talks between the DPRK and Japan arranged with so much effort were suspended because Japan raised the "nuclear issue" and the question of an unidentified Japanese woman, which had nothing to do with the normalisation of diplomatic relations between the two countries.

Now Japan has no more pretext to lay any obstacle to the talks. The argument that "the ball is in the court of the DPRK side" is aimed at concealing the ulterior intention of Japan which is not willing to resume the talks. The ball is in the court of the Japanese side, not the DPRK side.

The point is whether Japan is willing to improve its relations with the DPRK, or not.

We do not set any precondition for the talks as we did not in the past. It is our consistent position to normalise diplomatic relations as desired by the Korean and Japanese peoples.

Whether the DPRK-Japan talks are resumed, or not, entirely depends on the Japanese side.

Japan's Portrayal of Talks Viewed

SK1401041995 *Pyongyang Korean Central Broadcasting Network in Korean 0312 GMT 14 Jan 95*

[FBIS Translated Text] A DPRK Foreign Ministry spokesman answered on 14 January a KCNA reporter's question on Japan lately creating wrong public opinion [kuruttoen yoronul poligo innun kotkwa kwallyonhayo] on the resumption of DPRK-Japanese talks: As soon as the talks began, the Japanese authorities and media dissipated absurd rumors as if the Japanese Foreign Ministry officials had contact with us, saying that Japan could not help but wait because North Korea [pukchoson] did not accede to the resumption of the talks and that the ball was in DPRK's court.

If there is something to tell regarding the so-called contacts between Japanese authorities and us, it is: Lately, we have not contacted Japan, nor have we received any such proposal from Japan.

The fundamental reason for the ongoing suspension of DPRK-Japanese talks is Japan's attempt to pursue an insidious political purpose through talks, without intent to liquidate the past [chigumggaji choil hoedami chungdandoego innun kunbon woninun ilboni kwagorul chongsanhal uijiga opsi hoedamul tonghae pulsunhan chongchijok mokchogul chuguharyo hande issotta].

It is well known to the world that the long-awaited DPRK-Japanese talks have been suspended because Japan raised the nuclear issue and an issue concerning an unidentified Japanese woman, both of which have no relation to the normalization of DPRK-Japanese diplomatic ties.

Now Japan has no more ruse to create obstacles to the talks. However, Japan is creating public opinion that the ball is in DPRK's court. This is aimed at hiding its unwillingness to hold talks [hoedamhal yonguiga omnun ilbonui ponsimul karigi wihan kosida]. The ball has already been returned to the Japanese side, not ours.

What matters is whether Japan truly has the intent to improve DPRK-Japanese relations. As we did not in the past, we do not now put forward any precondition for the

talks. It is our invariable position to normalize diplomatic ties in conformity with the aspiration of the DPRK and Japanese peoples. Whether the DPRK-Japanese talks will be resumed totally depends on the Japanese side.

Japan 'Cannot Be' Permanent Member of UNSC

SK1501083595 *Pyongyang KCNA in English 0821 GMT 15 Jan 95*

["Japan Cannot Be Permanent Member of Security Council Without Atoning for Past Crimes"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, January 15 (KCNA)—Japan cannot become a permanent member of the UN Security Council [UNSC] before she completely breaks with the crime-woven past and makes a new start, declares NODONG SINMUN today.

A country cannot become a permanent member when it wants to be or demands the post, but it requires international recognition, says the analyst, and goes on:

Japan is a war criminal which imposed immeasurable calamities and misfortunes upon humankind. Her crimes are monstrous. Therefore, Japan must atone for her past crimes before eyeing the post of a permanent member. She, however, has neither admitted nor apologized for her past crimes, though it is nearly half a century since the end of the war.

Notably, the aggression of the Japanese imperialists on Asian countries was a heinous crime which can never be denied.

Japan's attempt to become a permanent member dealing with international political affairs is an insult to the UN Charter and international justice.

Japan has not made adequate compensations to the victims. She must take measures for full compensations to all the victims in compliance with the demand of the international community and her responsibility and obligation under international law.

She is under international obligation to make compensations for her past aggressive acts. The Japanese authorities, however, refuse to make further compensations, contending that "the postwar compensation problem has been solved".

Is Japan entitled to be a permanent member, failing to observe elementary ethics and morality, let alone international law? If Japan become a permanent member, international justice might be ignored and insulted.

What Japan seeks in her campaign for permanent membership is to become a military power, a nuclear power, and, furthermore, to satisfy her dominationist desire without much difficulty by abusing the position of a political power.

The world is sharply watching the attitude of Japan toward the issue of settlement of the past.

Paper Accuses Japan of 'Military Intervention'

SK1401101095 Pyongyang KCNA in English 1005 GMT 14 Jan 95

["Dangerous Hotbed of War"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, January 14 (KCNA)—NODONG SINMUN today accuses the Japanese reactionary circles of openly revealing their attempts at military intervention overseas, while zealously seeking the qualitative reinforcement of the "Self-Defence Forces."

A few days ago, Tokuichiro Tamazawa, director-general of the Defence Agency of Japan, waxing eloquent about "flexible response in case of contingency", cried that the "quality of the defence forces must be improved" and "highly reliable, elaborate and mobile defence forces must be built" under the condition in which factors of danger are omnipresent in the world. Earlier, the Defence Agency adopted it as its basic policy to upgrade the defence forces to a standard of "coping with potential and diverse dangers".

Commenting on this, the analyst says:

Detente and arms cut are an international trend today. No country threatens the security of Japan or chooses Japan as a target of its attack. Many parts of the world are plagued with disputes and critical situation, but they do not pose any threat to the security of Japan and there is no need for Japan to interfere in them.

Nevertheless, the Japanese reactionary ruling circles seek to expand military actions overseas and launch into military intervention, while hastening modernisation of the military forces and increasing their manoeuvrability and efficiency as a "countermeasure" against regional "crisis" and "disputes".

As a matter of fact, Japan has already made military preparations for a large-scale war.

The Japanese reactionaries intend to expand the operational sphere of Japan into a global scale, render greater manoeuvrability and efficiency to the Japanese Armed Forces and create an international climate and foothold to justify their operations in different areas of the world. Motivated by this sinister design, the Japanese reactionary ruling circles pursue the "globalisation of the Japan-U.S. security cooperation", Japan's active participation in the "collective security" activities of the United Nations and the revision of "the general principle of the defence program" and the constitution.

Japanese militarism is trying to stretch out its crooked hand to Asia and the world.

30th Anniversary of Palestinian Revolution Marked

SK1601084995 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 10 Jan 95

[FBIS Translated Text] A meeting to commemorate the 30th anniversary of the beginning of the Palestinian revolution was held at Chollima Cultural Hall on 10 January. The portraits of the great leader Comrade Kim Il-song and Comrade Yasir 'Arafat, president of Palestine, were posted on the wall behind the main stage of the venue. Slogans "We ardently congratulate the 30th anniversary of the beginning of the Palestinian revolution," and "Hurrah for the friendship and cohesion between DPRK and Palestinian peoples" were written on the banners draped in the venue.

Present at the meeting were Chu Song-il, chairman of the DPRK- Palestine Friendship and Solidarity Committee and chairman of the General Federation of Trade Unions; Chon Yon-ok, vice chairman of the Committee for Cultural Relations With Foreign Countries; functionaries concerned; and working people in Pyongyang. Shahir Muhammad, Palestinian ambassador to DPRK, and embassy staffers were invited to the meeting.

The meeting began with Palestinian and DPRK national anthems. Chairman Chu Song-il delivered a speech at the meeting. He sent ardent congratulations and greetings to the Palestinian people, who mark the 30th anniversary of the beginning of the revolution, and said that on 1 January 1965, 30 years ago, the Palestinian people picked up arms and launched themselves on the guerrilla struggle against Israeli occupation. He said the establishment of the Palestinian government in November 1988 amid the flame of national liberation marked another significant epoch that encouraged the Palestinian people's struggle to achieve the liberation of the country and independence of the nation. He said that the Palestinian people's objective is to found an independent country with its capital in Quds and to pursue independent development, and that the Palestinian people's struggle to recover legitimate national rights is widely supported and advised by the world's people for its justness.

He said that the friendship and cooperation between the DPRK and Palestine has developed to a new and higher stage through historical meetings between the great leader Comrade Kim Il-song and the esteemed President Yasir 'Arafat on various occasions, and that we will uphold the great leader's will of his lifetime and exert active efforts to further adorn the bonds of friendship and solidarity between the peoples of the two countries under the leadership of the great leader [widaehan yong-doja] Comrade Kim Chong-il.

Next, Ambassador Shahir Muhammad delivered a speech. He first honored the memory of the great leader President Kim Il-song, who supported them materially and spiritually to continue with the revolution since the

beginning of the Palestinian revolution against the Israeli reactionaries up until today. He said the great leader Comrade Kim Il-song and the great leader [widaehan yongdoja] Comrade Kim Chong-il played the role of genuine and pioneering internationalists by extending all kinds of support, encouragement, aid, and solidarity to them. He said the Palestinian people, as well as all the people in the world who love justice, peace, and freedom, support all DPRK's proposals and methods declared on various occasions for the peaceful reunification of Korea and the denuclearization of the Korean peninsula, particularly the 10-point program of the great unity of the whole nation.

He hoped the friendly DPRK people, who are walking along the single road of fatherland reunification and chuche cause, would achieve greater victory, progress, and prosperity under the leadership of the great leader [widaehan yongdoja] Comrade Kim Chong-il. He wished longevity for the great leader [widaehan suryong] Comrade Kim Chong-il. He ended his speech with the following slogans: "Hurrah for the friendship and cohesion between the peoples of the two countries!" "The great leader Comrade Kim Il-song is immortal!" "Hurrah for the great leader [widaehan suryong] Comrade Kim Chong-il!" "Hurrah for President Yasir 'Arafat!" "Hurrah for the chuche idea, the lighthouse of the people of the countries engaging in revolution!"

A letter to President Yasir 'Arafat was adopted at the meeting.

WPK Delegation Leaves for Russia 16 Jan

SK1601102495 *Pyongyang KCNA in English 1003 GMT 16 Jan 95*

[FBIS Transcribed Text] Pyongyang, January 16 (KCNA)—A delegation of the Workers' Party of Korea (WPK) led by Pak Kyong-son, vice-director of a department of its Central Committee, left Pyongyang on January 16 to participate in the 3rd Congress of the Communist Party of the Russian Federation.

It was seen off at the airport by Yim Sun-pil, vice-director of a department of the Central Committee of the WPK.

Foreign Publications on Kim Chong-il 'Greatness'

SK1601045895 *Pyongyang KCNA in English 0441 GMT 16 Jan 95*

[FBIS Transcribed Text] Pyongyang, January 16 (KCNA)—Foreign publications reported about the greatness of the great leader Comrade Kim Chong-il.

The Nigerian paper CHAMPION devoted one whole page to a special write-up under the blockletter title "His Excellency Kim Chong-il is Supreme Leader of Korean People" on the New Year 1995.

The paper carried his brief biography.

The paper said in an article titled "His Excellency Kim Chong-il is Supreme Leader of the Korean People":

His Excellency Kim Chong-il, the successor to the great President Kim Il-song, is successfully carrying forward the revolutionary cause started by the president.

He is the supreme leader of the Workers' Party and the Democratic People's Republic of Korea and the supreme commander of the Revolutionary Armed Forces.

His feats in leading the cause of socialism are great ones which can be performed only by an extraordinary thinker and theoretician, statesman and outstanding military strategist unfailingly loyal to the socialist cause and the people and a genuine leader of the people with noble virtues.

The Indian magazine SOCIAL look in an article entitled "The Korean People's Army Guided by Marshal Kim Chong-il" said:

Marshal Kim Chong-il is not only a great politician but also a genius of military affairs.

He inherited the natural talents of President Kim Il-song, the legendary hero and ever-victorious iron-willed brilliant commander who defeated two imperialisms in one generation.

He has performed immortal exploits in the building of the party, state and revolutionary Armed Forces.

The Indian paper INDIAN TIMES, the Ghanaian paper WEEKLY SPECTATOR, the Algerian paper AL CHAAB, Radios Nos. 1,2,3 and TV Nos. 1,2 of Zimbabwe introduced his greatness under the titles "His Excellency Kim Chong-il's Politics Centred on the Popular Masses," "The Chuche Idea" and so on.

Foreign Parties Send Greetings to Kim Chong-il

SK1701042495 *Pyongyang KCNA in English 0411 GMT 17 Jan 95*

[Spelling of all names as received]

[FBIS Transcribed Text] Pyongyang, January 17 (KCNA)—The great leader Comrade Kim Chong-il received New Year's messages from foreign party leaders.

They came from Garib Newaz, president of the Bangladesh People's League; Vladimir Dado, chairman of the Slovak Communist Party; Milud al Mahdabi, general secretary of the Organisation of Socialists in the Mediterranean; El Hadj Boubacar Biro Diallo, general secretary of the Party for Unity and Progress of Guinea; Christophe Gbenie, national chairman of the Lumumba National Movement of Zaire; Mohamed Bel Hadj Amor, general secretary of the People's Unity Party of Tunisia; Gustavo Mohme Ryona, national secretary general of the Socialist Political Action Party of Peru; Genaro Ledesma Izquieta, chairman of the People's Front of Workers, Peasants and Students of Peru; Guzman

Rivera Castaneda, general secretary of the Revolutionary Socialist Party of Peru; Isidro Tellez, general secretary of the Marxist-Leninist Popular Action Movement of Nicaragua; Wolfredo Nabarro, chairman of the Independent Liberal Party of Nicaragua; Terence A. Marryshow, political leader of the Maurice Bishop Patriotic Movement of Grenada; Hardial Bains, National Leader of the Communist Party (Marxist-Leninist) of Canada; Miguel Mejia, general secretary of the United Left Movement of Dominica; and Vincent Cabrera, acting leader of the February 18th Movement of Trinidad and Tobago.

The messages extend warmest congratulations to Comrade Kim Chong-il on the new year and wish him good health and a long life.

They express the belief that the Workers' Party of Korea and the Korean people under the wise leadership of Comrade Kim Chong-il will achieve greater success in the building of man-centred socialism and in the efforts for the independent reunification of the country.

Comrade Kim Chong-il also received a New Year's message from the Political Bureau of the Progressive Socialist Rally of Tunisia.

Kim Chong-il, Foreign Leaders Exchange Greetings

SK1401050695 Pyongyang KCNA in English 0418 GMT 14 Jan 95

[FBIS Transcribed Text] Pyongyang, January 14 (KCNA)—The great leader Comrade Kim Chong-il exchanged New Year cards with foreign state and party leaders.

Among them are Le Duc Anh, president of the Socialist Republic of Vietnam; Hussein the First, king of the Hashemite Kingdom of Jordan; 'Ali 'Abdallah Salih, president of the Republic of Yemen; Lansana Conte, president of the Republic of Guinea; Bakili Muluzi, president of the Republic of Malawi; Cassam Utem, president of the Republic of Mauritius; Ketumile Masire, president of the Republic of Botswana; Blaise Compaore, president and head of state and chairman of the Council of Ministers of Burkina Faso; Valentine Esegabgo Melvin Strasser, head of state and chairman of the National Provisional Ruling Council of the Republic of Sierra Leone; Gnassingbe Eyadema, president of the Republic of Togo; Milan Kuchan, president of the Republic of Slovenia; Slobodan Milosevic, president of the Republic of Serbia; Levon Ter-Petrosyan, president of the Republic of Armenia; Arpad Goncz, president of the Hungarian Republic; Cheddi Jagan, president of the Cooperative Republic of Guyana; Noor Hassanali, president of the Republic of Trinidad and Tobago; said Mohamed Djohar, president of the Federal Islamic Republic of Comoros; and James Fitz Allen Mitchell, prime minister of Saint Vincent and the Grenadines.

Among them are also Do Muoi, general secretary of the Central Committee of the Communist Party of Vietnam; Farouk Dahrouj, general secretary of the Central Committee of the Lebanese Communist Party; Walid Joumblatt, president of the Socialist Progressive Party of Lebanon; Abdallah Al Chahal, secretary of the Lebanese Regional Committee of the Arab Socialist Baath Party; Inaam Raad, chairman of the Nationalist Socialist Party of Syria in Lebanon; Ali Hassan, general secretary of the Supreme Council of the Nationalist Socialist Party of Syria in Lebanon; Dilip Barua, general secretary of the Central Committee of the Communist Party of Bangladesh (Marxist-Leninist); Banham Silapa-Archa, leader of the Thai National Party; Montri Pongpanich, leader of the Social Action Party of Thailand; C. R. Aslam, president of the Pakistan Socialist Party; Iqbal Ahmed Khan, secretary-general of the Pakistan Muslim League; H. S. Surjeet, general secretary of the Central Committee of the Communist Party of India (Marxist); Youssef Amin Wali, general secretary of the Egyptian National Democratic Party; Klaus Riis, chairman of the Central Committee of the Communist Party (M-L) of Denmark; Vladimir Spasov, first secretary of the Central Committee of the Bulgarian Communist Party; Jean Spielmann, national president of the Workers' Party of Switzerland; Rolf Hagel, chairman of the Workers' Party-Communists of Sweden; Frank Baude, chairman of the Central Committee of the Communist Party-KPML (R) of Sweden; Miroslav Grevenicek, chairman of the Central Committee of the Czechy-Morava Communist Party; Carlos Carvalhas, secretary-general of the Central Committee of the Communist Party of Portugal; Blasco Hugo Fernandes, chairman of the National Direction Committee of the Democratic Intervention of Portugal; and Julio Anguita, general secretary of the Spanish Communist Party and General Coordinator of the Left Coalition of Spain.

Comrade Kim Chong-il exchanged New Year cards with Yang Shangkun, former president, and Peng Zhen, former chairman of the Standing Committee of the National People's Congress, of the people's Republic of China; and Makoto Tanabe, former chairman of the Central Executive Committee of the Japan Socialist-Democratic Party and vice-chairman of the Socialist International.

Russian Publisher Praises Kim Chong-il's Work

SK1401103595 Pyongyang KCNA in English 1028 GMT 14 Jan 95

[FBIS Transcribed Text] Pyongyang, January 14 (KCNA)—Nikolay Mishin, director of the Paleya Publishing House of Russia, made public an article headlined "Scientific Socialism Is Invincible".

Noting that true Communists and patriots in the former Soviet Union and East European countries are reading again and again the great leader Comrade Kim Chong-il's treatise "Socialism Is a Science" to find a way out of the present chaotic political situation, he says:

Avidly reading the treatise, they have found perfect answers to the following questions of principle:

The treatise makes clear what is socialism, how socialism should be built and defended, on what socialism as a scientific theory is based, what significance the material factor and ideological education have and what is the position and role of the ruling party under socialism.

On the threshold of the 21st century, history has entrusted Comrade Kim Chong-il, the great son of the Korean people, with the heaviest responsibility for the destiny of socialism all over the world. The leaders of Korea founded the unique theory of socialism, the chuche doctrine, free from the dogmatism of Marxism. The chuche idea has become the guarantee for the solidity of socialism in Korea.

Noting that Comrade Kim Chong-il in his treatise stresses again what significance the chuche idea has, Mishin continues:

His treatise is a source of life-giving water to many Communist Parties active dispersedly in Russia.

The great source of socialism consists of six springs, in other words, the chuche idea, collectivism, ideological consciousness of socialism, the material factor, the mother party and all-embracing politics.

Comrade Kim Chong-il calls for defending these springs from the infringement of renegades and protecting them like the apple of the eye.

The reality of Russia where endless discourse and assertions on the economy first policy were used as a motive power for breaking up the Soviet Union, accentuates once again how significant the idea of Comrade Kim Chong-il is for her, the idea that, if socialism is to be built, the driving force of revolution which undertakes it should be strengthened and its role be enhanced.

The key to the solidity and stubbornness of Korean-style socialism is the genius of the leader plus the heroism of the people. The validity of this answer is proved not only by the experience and reality of socialist Korea but also by the historic lesson of the frustration of socialism in the former Soviet Union.

It is of weighty importance that the position and role of the leader in socialist construction are specially stressed in the treatise. Historic facts explain the truth, scientific accuracy and validity of the proposition that a political leader under socialism must be possessed not only of ability but also of noble virtue of deeply loving the people.

Under the guidance of Comrade Kim Chong-il, the supreme leader, the party pursues benevolent politics, politics of love for and trust in people in Korea. This is the main secret of the solidity and invincibility of the socialist system in Korea and the source of the inexhaustible strength of socialism.

It is the great happiness of the Korean people to be led by the outstanding leader with noble benevolence.

Comrade Kim Chong-il showed rock firm unity of the leader and the people, faithfulness to the people and the feelings of the most genuine love for the ordinary people.

What a necessary textbook "Socialism Is a Science" is under the present conditions, the treatise which gives us victory and confidence.

His treatise is a lodestar to the people who build a new life on the principle of equality and social fairness.

Japanese, U.S. Figures at Statue of Kim Il-song

SK1601044095 Pyongyang KCNA in English 0432 GMT 16 Jan 95

[FBIS Transcribed Text] Pyongyang, January 16 (KCNA)—Yoshiyuki Oe, director of the Japan S.B.B. Company, Ltd., and his party and Kim Yong-chin, director of the Centre for East Asian Studies of George Washington University of the United States, and his party laid bouquets of flowers and made a bow before the statue of the great leader President Kim Il-song on Mansu Hill in Pyongyang on January 14.

Director Yoshiyuki Oe said: "While visiting the Democratic People's Republic of Korea, we pay today New Year's homage to his excellency respected President Kim Il-song."

He expressed respects for the president.

Paper: Greet WPK Anniversary With Achievement

SK1401101995 Pyongyang KCNA in English 1012 GMT 14 Jan 95

["NODONG SINMUN Calls for Greeting 50th WPK Birthday With Great Achievements"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, January 14 (KCNA)—NODONG SINMUN today calls for greeting the 50th anniversary of the foundation of the Workers' Party of Korea [WPK] (October 10, 1945) with a high degree of political enthusiasm and significant achievements.

The paper says in an editorial:

The 50th founding anniversary of the WPK will be a grand festival of victors which will powerfully demonstrate to the whole world the inexhaustible might of the WPK and the revolutionary units united in one mind around the great leader Comrade Kim Chong-il and the invincibility of the cause of Korean-style socialism.

The foundation of our party was a historical event which proclaimed the birth of an ever-victorious party of chuche type, an experienced general staff of the revolution which shapes the destiny of our people.

Today, five decades since then, our revolution has entered a new, higher stage under the guidance of Comrade Kim Chong-il. Our revolution has solid foundations for accomplishing the revolutionary cause of the leader who founded the party. Though the fatherly leader Comrade Kim Il-song passed away, the singlehearted unity of our party and revolutionary units has become closer and the stronghold of our socialism has been fortified like a rock.

To make a vigorous march for greeting the anniversary with a high degree of political enthusiasm and signal achievements is of great significance in strengthening and developing our party and winning the final victory of our revolution.

It is an honorable and worthwhile struggle for glorifying through all ages the revolutionary feats performed by the great leader Comrade Kim Il-song, who triumphantly guided the cause of the building of a chuche-type party and the cause of socialism. It is also worthwhile efforts for exalting the dignity and might of our party, which has strengthened and developed to be an invincible revolutionary party under the tested leadership of Comrade Kim Chong-il.

Working energetically to significantly greet the anniversary is an honorable undertaking to make our motherland more prosperous and bring the advantages of our-style socialism into full play.

The present situation makes it incumbent upon our people to fully display their spirit and wisdom as a revolutionary people guided by the great party. All the party members and working people must vigorously make a revolutionary march to greet the 50th founding anniversary of the party as a great festival of victors under the tested guidance of Comrade Kim Chong-il.

Paper Praises 'Benevolent Politics' of WPK

SK1501085495 *Pyongyang KCNA in English* 0833
GMT 15 Jan 95

["Advantages of Benevolent Politics of WPK (Worker's Party of Korea)"]—KCNA headline]

[FBIS Transcribed Text] *Pyongyang, January 15 (KCNA)*—NODONG SINMUN today says a by-lined article that benevolent politics of our party expounded by the great leader Comrade Kim Chong-il in his famous work "Socialism Is a Science" is genuine politics for the people which regards the popular masses as absolute beings and shows deepest love for and trust in them.

The paper quotes the great leader Comrade Kim Chong-il as saying:

"Benevolent politics is a traditional mode of politics. Its historical root had already been created by the great leader Comrade Kim Il-song in the days of the anti-Japanese revolution and was further deepened and developed by him as the revolution and construction advanced."

The author of the article continues:

The advantages of our party's benevolent politics find concentric manifestation in that it maps out lines and policies in compliance with the popular masses's demand for independence and thoroughly implements them in reliance on their strength, and in the worthy and happy life of our people.

The advantages of the benevolent politics are powerfully demonstrated also in that the entire people are closely united around the great leader and the whole society has turned into a large harmonious family.

Thanks to the great guidance of respected Comrade Kim Chong-il who continues on-the-spot guidance to the people aboard "the train for the people," the voices of the people are correctly reflected in him in the party's lines and policies in our country.

Our party maps out lines and policies by reflecting the popular masses's demand for independence and implements them by relying on their creative strength. Therein lies the superiority of the benevolent politics of our party and the secret of the long drive our-style socialism is making along the most scientific road without the slightest deviation and twists and turns.

The great leader Comrade Kim Chong-il set it forth as the basic policy that the party and state provide in a responsible manner everything to the people from food, clothing and housing to education and medical assistance. As a result, our people live without worries.

After the emergence of human society, it can be seen only in our socialism under benevolent politics that people live without any worries.

Since the leader enforces the benevolent politics of deep r the people in our society, blood ties based on trust and loyalty, love and filial piety have been established between the leader and the people.

The absolute superiority and great vitality of our party's benevolent politics lie in that the relations between the leader and the people are not merely relations of leading and being led, but are blood relations between father who gives love and son who devotes loyalty and filial piety.

Coal Complexes Overfulfilled Production Quotas

SK1301151595 *Pyongyang KCNA in English* 1500
GMT 13 Jan 95

[FBIS Transcribed Text] *Pyongyang, January 13 (KCNA)*—Coal mining workers are chalking up achievements in production in this significant year in which falls the 50th anniversaries of the foundation of the Workers' Party of Korea and the liberation of the country.

According to data available at the Ministry of Coal Industry, the daily plans of the ministry have been

fulfilled at 120 percent in tunneling and at 110 percent in coal production in a little more than ten days of this month.

In the same period, the coal complexes in Anju and Unchon areas topped their assignments 130 and 120 percent respectively.

The Tokchon and Kaechon area coal complexes boosted the coal output 120 percent.

The coal complexes in South Hamgyong Province, Cang-dong and other areas also overfulfilled their daily coal production commitments.

Local Ministry Records Increased Production

SK1601105295 *Pyongyang Korean Central Broadcasting Network in Korean 2200 GMT 12 Jan 95*

[FBIS Translated Text] Upholding the party's intention reflected by the joint editorial carried by NODONG SINMUN, functionaries and the working class of the Ministry of Local Industry are filled with new confidence and optimism, and are vigorously accelerating the march of the hopeful new year. Highly demonstrating the revolutionary spirit of self-reliance and fortitude, they are achieving innovations in the production of the people's consumer goods. Yim Chung-hwa, reporter of the Central Broadcasting Station, interviewed Comrade Chon Song-nam, director of the Production Guidance Department of the Ministry of Local Industry; and Comrade Hyon Hak, instructor of the same department:

[Begin recording] [Yim] Functionaries and the working class of the Ministry of Local Industry are upholding the party's intention reflected by the joint editorial carried by NODONG SINMUN. They are filled with new confidence and optimism, and vigorously accelerating the march of the hopeful new year. Upholding the party's slogan "Let us mark the 50th anniversary of the founding of the Workers Party of Korea with high political enthusiasm and brilliant labor feats," we have demonstrated the revolutionary spirit of self-reliance and relentlessly wage the struggle to normalize the production of all local industry plants on a high level since the first day of the new year.

According to data compiled by our ministry, during the first 10 days of the new year, the total industrial output was increased by 98 percent compared to the same period in the previous month, production of daily necessities increased by 30 percent, and processed foodstuffs 25 percent. Some hundreds of kinds of products were added to the variety, and the quality was improved significantly.

In particular, we scored gains in the struggle to maximize the use of local materials. Recently, quite a few cities, counties, and local industry plants used over 70 percent of local materials in production.

[Hyon] Today, our local industry has indeed developed brilliantly. In the future, we will highly demonstrate the

revolutionary spirit of self-reliance, thinking it is better if materials are provided by the superior, but if not, we will provide them on our own, and the collective spirit of helping and leading each other. We will carry out the work to form material bases according to local characteristics on a big scale.

We will also increase the variety and kinds of the people's consumer goods and improve the quality decisively. We will fulfill our fidelity and duty in implementing the party's revolutionary economic policy, and as fighters of the great leader [suryong], we will further prosper my country, my fatherland [nae nara nae chogugul touk puganhage hagessumnida]. [end recording]

'Wholehearted Unity' for Revolution Lauded

SK1501143895 *Pyongyang Korean Central Broadcasting Network in Korean 0920 GMT 13 Jan 95*

[Unattributed talk: "Wholehearted Unity Is the Ever-Victorious Banner of Our Revolution"]

[FBIS Translated Text] Our people are now vigorously accelerating a march for the new year by wholeheartedly uniting around the great leader [yongdoja] Comrade Kim Chong-il. The new year 1995 is a significant year seeing as it marks the 50th anniversary of the founding of the Workers' Party of Korea [WPK] and the 50th anniversary of national liberation.

This year, we should win a complete socialist victory, our people's historic desire, by fully displaying the superiority of our own-style of socialism and by effecting a great upturn in hastening the victory of national reunification. In victoriously glorifying this year, which will be recorded as a significant year in our fatherland's history, it is of utmost important to further strengthen the wholehearted unity of the party and the revolutionary ranks.

The great leader [yongdoja] Comrade Kim Chong-il has indicated: Strengthening the wholehearted unity of the party and the revolutionary ranks is the key task our party should always firmly adhere to. Wholehearted unity is our party's eternal revolutionary philosophy as well as the ever-victories banner of our revolution.

Our party is always concentrating maximum efforts on strengthening the wholehearted unity of the party and the revolutionary ranks, regarding unity as the basic principle of the revolution. As a result, it is able to win victories in the revolution and construction.

The proud history of our revolution, which shines with creation and feats, is a history pioneered by unity that has won victories based on the might of wholehearted unity. Wholehearted unity is the ever-victorious banner of our revolution because it is the basic guarantee for strengthening the main force of the revolution and for enhancing its role.

As elucidated by the great leader [yongdoja] Comrade Kim Chong-il, the decisive factor that determines the success or failure of the revolution lies in the method of strengthening the main force of the revolution and of enhancing its role, not an objective condition.

The experience of our revolution, which has advanced along the banner of the chuche idea under the leadership of the great leader [suryong] and our party, proves that only when we strengthen the main force of the revolution and enhance its role can we properly use the given objective condition and guarantee the victory of the revolution by advantageously improving unfavorable objective conditions; by turning unfavorable conditions into favorable conditions; and by changing misfortunes into blessings. As such, the decisive factor in the success of the revolution is the wholehearted unity of the leader [suryong], the party, and the masses who want to strengthen the main force of the revolution and to enhance its role.

The popular masses are the chuche of history, but they cannot become [word indistinct] of the revolution by themselves. They can become a strong main force which victoriously advances the revolution only if they can uphold the leader's [suryong] idea and leadership with loyalty and a single-hearted mind [ilsim] by firmly uniting as one socio-political and organic body around the party and the leader [suryong].

Today, our people are becoming the main force of the revolution, and are vigorously advancing the revolution and construction along the single road of victory by wholeheartedly uniting around the dear leader Comrade Kim Chong-il, thus upholding him as the great leader [yongdoja].

We cannot talk about the strong main force of our revolution apart from wholehearted unity. Nor can we think about the victorious advance of our revolution, which is difficult and complicated [oryopko pokchaphan], apart from the might of the main force.

Wholehearted unity means the main force of the revolution, and [word indistinct] means the victory of the revolution. This is the reason why our party adheres forever to wholehearted unity as the philosophy of the revolution and the great banner that advances our revolution along the ever-victorious road.

Wholehearted unity is the banner of victory of our revolution. This has been well proven by the fact that last year our party and people overcame difficult trials by uniting as one around the great leader [yongdoja] and by firmly adhering to the chuche banner, the socialist banner, constantly advancing the revolution.

Last year, our people were unexpectedly parted with Comrade Kim Il-song, the greatest revolutionary, a peerless great man and brilliant commander for all ages, and the benevolent father of the people whom history has not know before. As a result, they suffered the pain of the

greatest loss ever suffered in the 5000-year history of our nation. However, our people have turned sorrow into might and courage one-thousand fold, and have unanimously rose in the struggle to implement the great leader's [suryong] will.

Living and struggling as true loyalists and dutiful sons who have devoted their loyalty and dutifulness to the great leader [yongdoja] Comrade Kim Chong-il, being no longer able to give their loyalty and dutifulness to the leader [suryongnimkke mottahan chungsonggwa hyosongnul], is the pledge of faith our people cherish deep in their hearts, bracing themselves with an iron-like will that the great leader is the great Comrade Kim Chong-il [widaehan suryongnimun kot widaehan kim chong-il tongjiisigo], and that Comrade Kim Chong-il is the fatherly leader [kim chong-il tongjinun oboi suryong-nimisiranun].

Our working class and all working people have more highly displayed the superiority of our own-style of socialism by achieving great success in the struggle to implement the party's revolutionary economic strategy, thus more firmly uniting around the great leader [yongdoja].

While sincerely fulfilling their mission to safeguard the fatherland, last year heroic officers and men of our People's Army highly displayed the spirit of one-is-a-match-for-one-hundred soldier on the construction sites of our socialist grand construction, including the second-phased construction of Chongnyu Bridge, and by performing miracles and being innovative, thus demonstrating to the world the combatant might of the People's Army that is wholeheartedly united around the respected and beloved supreme commander General Kim Chong-il.

Last year, the circumstances of our revolution were very complicated and strained. Socialism collapsed in many countries throughout the world, and the spearhead of attack by the imperialists and all kinds of reactionaries who want to isolate and crush [malsal] socialism was directed at our republic. This could not but become a grave obstacle to the fulfillment of the revolutionary cause of our party and our people, as well as to the dignity and security of our nation.

Under these difficult circumstances, our people and the People's Army units were able to vigorously demonstrate the national dignity and firmly safeguard the socialist achievements under the leadership of the supreme comrade commander, cherishing faith in complete victory and knowing in their hearts that there is nothing to be afraid, and that they will surely be victorious only if the great leader [yongdoja] General Kim Chong-il, the brilliant commander of the century, exists.

In particular, winning a great victory in the sharp battle against the imperialists, and extraordinarily enhancing the global dignity of our republic, have become a clear

demonstration of the invincible might of our wholehearted unity in which no weapons and threat can work against the might of the people and Army that are firmly united around their leader [yongdoja].

Indeed, the brilliant victory and proud success gained last year in the struggle to achieve the chuche revolutionary cause, and to safeguard and adhere to socialism under the wise leadership of the party, upholding the great leader's [suryong] will, are the valuable fruition brought about by the wholehearted unity of the entire party, all the people, and the entire army that are firmly united around the great leader [yongdoja] Comrade Kim Chong-il.

This eloquently shows that our wholehearted unity is the ever-victorious banner enabling us to victoriously advance the chuche cause, the socialist cause, by properly overcoming any trials and difficulties even though they are laid before our party and the revolution. Wholehearted unity, our party's revolutionary philosophy and our revolution's banner of victory, has become the most solid unity that the history of the communist movement has ever known because it is centered on upholding the great leader [yongdoja] Kim Chong-il.

Our wholehearted unity, earlier prepared by the great leader [suryong], is a strong eternal unity which has become more consolidated from generation to generation by upholding the dear leader Comrade Kim Chong-il, the peerless great man, as the center of unity and as the head [chindu] of our party, people, and revolutionary armed forces.

Having such a powerful wholehearted unity is the great glory and pride of our party and people. As long as the great leader [yongdoja] Comrade Kim Chong-il's outstanding and seasoned leadership exists, and as long as the great flower garden [taehwawon] of wholehearted unity spreads, a great victory will surely be won in this year's rewarding struggle to greet the 50th anniversary of the founding of the party as the great festival of victories, as well as in a struggle for the final victory of the chuche revolutionary cause.

Our people will create greater feats and miracles in the new year with the might of wholehearted unity by more highly upholding the great leader [yongdoja] Comrade Kim Chong-il and by firmly uniting as one around him. As a result, they will actively contribute to making our country, our fatherland, prosper further.

South Korea

Focus of KEDO Talks Said Naming Reactors

SK1401045395 Seoul YONHAP in English 0440 GMT
14 Jan 95

[FBIS Transcribed Text] Seoul, Jan. 14 (YONHAP)—Another round of negotiations among Seoul, Washington and Tokyo on forming the Korea Energy Development Organization (KEDO), the body tasked with

providing light-water nuclear reactors to North Korea, may be held in Tokyo next week to tackle issues left unresolved by the just-concluded Washington talks, a government official said Saturday.

The three sides have tentatively picked Tokyo as the venue for the next round of KEDO talks next week, although they have yet to decide the issues, said the official.

One of the major items awaiting in Tokyo will be whether to specify the "Korean-standard nuclear plant" in the agreement on launching the international consortium to be signed by the three sides, according to the official, who did not want to be named.

The three-way talks in Tokyo will focus on procedural matters concerning KEDO's formation as this week's Washington talks failed to produce agreements on major issues, mainly because the negotiators spent most of their time drawing up an agreement on supplying the reactors to North Korea rather than addressing the body's creation, the official said.

During the Washington talks, they agreed to set up an executive board comprising South Korea, the United States and Japan as the top decision-making body, he said.

The executive board will control the secretariat of the consortium, which is to have an American director-general and South Korean and Japanese deputy directors-general.

The general assembly of KEDO, to be operated on the basis of consensus rather than a majority, can have advisory committees in a variety of fields including alternative energy, construction of light-water nuclear reactors and disposition of spent nuclear fuel rods, he said.

To ensure broad financial participation in KEDO, U.S. Assistant Secretary of State Robert Gallucci will travel to European and Mideastern countries and Deputy secretary of State Thomas Hubbard to Asian nations in mid-January to seek their support.

South Korea, Japan and the United States agreed tentatively during the Washington talks to set up KEDO around late February, with the date and venue for Washington-Pyongyang talks to be set soon, probably around the end of February as well.

Agenda, Organization, Schedule of KEDO Viewed

SK1401075795 Seoul CHUNGANG ILBO in Korean 14
Jan 95 p 4

[Article by correspondent Chin Chang-uk in Washington and reporter Kang Yong-chin in Seoul]

[FBIS Translated Text] The working-level meeting between the ROK, the United States, and Japan that

concluded on 13 January is meaningful because it finalized a draft agreement on support for the light-water reactors to North Korea that is to be concluded between the Korea Energy Development Organization (KEDO) and North Korea, and because the meeting presented the ideas of the three countries as to what manner will be used to construct the light-water reactors for North Korea.

In particular, the meeting was meaningful because the three countries agreed the light-water reactors built in North Korea will be "ROK-style nuclear reactors."

In October last year, North Korea agreed to the two 1,000-megawatt reactors expressed in the North Korea-U.S. framework agreement, thereby indirectly expressing its intention to virtually accept ROK-style light-water reactors. Officially, however, North Korea maintains its objection to ROK-style reactors.

Near the end of this month, the United States will begin negotiations with North Korea in Beijing. There, the United States is going to persuade North Korea that the three countries have agreed to supply ROK-style light-water reactors; it is highly likely North Korea will accept this.

Also, as regards the construction of the light-water reactors, the three countries have agreed on the principle that North Korea should provide the institutional devices so the three countries can supply relevant technology and material to North Korea.

In this respect, it is expected that on behalf of the three countries, KEDO will conclude cooperation agreements with North Korea on atomic energy, technology, and exchanges of visits. Such agreements will institutionally guarantee personnel and material exchanges between the South and North.

Meanwhile, at the latest meeting the three countries agreed to prepare a rough outline about the organization and operation of KEDO.

The main points in the outline are: an executive board of trustees—in which only delegates from the ROK, the United States, and Japan will participate—shall be organized as the supreme decision-making body of KEDO, and decisions shall be made by a unanimous vote; KEDO shall have one secretary general and two deputy secretaries-general, with the secretary-general being an American and the deputy secretaries-general being ROK and Japanese citizens; a general assembly, whose members will be from all countries participating in KEDO, shall be formed; and KEDO shall have an advisory committee composed of those from countries participating in each stage of the construction of the light-water reactors, the supply of alternative energy sources, the disposal of spent fuel rods, and the dismantlement of the nuclear facilities.

The three countries failed to sufficiently discuss devising the relevant KEDO regulations because they concentrated on working out a draft agreement on the support

for the light-water reactors. Therefore, the concerned authorities say the question as to the specification of ROK-style reactors in the agreement is still pending.

This question will be discussed again at a future working-level meeting between the three countries, which will reportedly be held in Tokyo next week.

The schedule for the support of the light-water reactors to North Korea will begin when the United States officially proclaims the easing of trade restrictions against North Korea. The proclamation is expected to be made before 21 January.

Negotiations between KEDO and North Korea to discuss supplying the light-water reactors will begin at the end of January. The United States will present to North Korea a draft agreement on supporting the light-water reactors, thus beginning negotiations on this agreement. This will be a part of the advance negotiations between the United States and North Korea, which will be held before an agreement is concluded; this is in conformity with the Geneva agreement stipulating that those countries concerned shall do their best to conclude an agreement on supplying the reactors before 21 April.

KEDO will be officially inaugurated around the end of February after the fifth round of high-level talks is held. It is most likely KEDO's secretariat will be located in New York.

After KEDO and North Korea conclude an agreement, the principal contractor or construction company will investigate the relevant infrastructure conditions, such as the site for the light-water reactors and the roads, prior to beginning construction of North Korea's light-water reactors.

Until that time, no commercial contract will be concluded between KEDO and the construction companies. Thus, a KEDO-led joint fact-finding team composed of members from the ROK, the United States, and Japan will visit North Korea to examine the construction site.

It is expected KEDO and the principal contractor will conclude a commercial contract this coming December [as received]. It is also expected that, at this stage, a decision will be made as to how much money each of the KEDO countries will have to contribute.

DPRK Said To Accept 'Any Style' of Reactors

SK1701112495 Seoul YONHAP in English 1104 GMT
17 Jan 95

[FBIS Transcribed Text] Beijing, Jan. 17 (YONHAP)—North Korea is reportedly prepared to accept light-water reactors of any style offered by the Korea Energy Development Organization (KEDO) if only the words "South Korean style" were not specified in a reactor contract.

China's official XINHUA news said in a dispatch from Pyongyang Tuesday that a spokesman for the North Korean Foreign Ministry told the (North) KOREAN

CENTRAL NEWS AGENCY that North Korea expects the United States to furnish light-water reactors through KEDO.

"But, we are opposed to the specification of "South Korean style" in a reactor-related contract," XINHUA quoted the spokesman as saying.

The spokesman added, however, that although North Korea cannot accept "South Korean style reactors" specified in a contract, "we wish to accept reactors of any style furnished in the name of KEDO," according to XINHUA.

Russia Expresses 'Intention' To Join KEDO

SK1401045895 Seoul YONHAP in English 0443 GMT 14 Jan 95

[FBIS Transcribed Text] Seoul, Jan. 14 (YONHAP)—Russia expressed its intention to join the Korea Energy Development Organization (KEDO) Friday, saying that issues affecting the Korean peninsula cannot be prudently discussed without the participation of neighboring countries like Russia and China.

Moscow Radio, monitored by NAEWOE Press here, was quoted as saying that developments on the Korean peninsula are a matter of interest not only to the United States and Japan but also to nations located nearby such as Russia and China.

The radio reported that South Korea, the United States and Japan held working-level talks recently in Washington to discuss plans to supply light-water reactors for North Korea.

It added that these three countries expressed hope that other nations would participate, raising the question of "how much the interests of countries other than the United States and Japan are being considered."

Delegate on KEDO Negotiations, Cost Sharing

SK1401032395 Seoul HANGUK ILBO in Korean 14 Jan 95 p 8

[Report by Ko Tae-song]

[FBIS Translated Text] "Korea has no other choice than to accept ROK-style light-water reactors." This remark was made assertively by Choe Tong-chin, first assistant minister of foreign affairs and director of the ROK light-water reactor planning team—which will officially begin operations in January—who is concurrently ROK's chief delegate to the high-ranking working-level negotiations among the ROK, the United States, and Japan. Director Choe also made it clear that the light-water reactor project should be pushed ahead, with ROK enterprises as principal contractors in matters ranging from design, to construction, to the manufacture of relevant equipment and materials. Director Choe stated: "In December 1994, we failed to specify in the agreement on establishing the Korea Energy Development

Organization [KEDO] reached between the three countries that ROK-style light-water reactors will be provided. A more certain way to guarantee this is to specify ROK-style light-water reactors in the contract to be concluded between KEDO and North Korea."

At the ongoing official and unofficial negotiations among the three countries, Director Choe is focusing on the financial burden of each country. The ROK Government feels that the ROK should only assume responsibility for supporting light-water reactors, shouldering 60 to 70 percent of the total cost. Director Choe stated: "The biggest question is whether Japan will shoulder 20 to 30 percent of the total financial burden, while not participating in the actual project."

Another important task is to secure a systematic device to guarantee that the ROK will exercise leadership within KEDO. This is because the rough outline on the establishment of KEDO does not specify which country can additionally join KEDO and that various factors will be working in relevant negotiations. Above all, Director Choe said he was most concerned that we should make North Korea change its attitude toward the cooperation of the countries involved. Director Choe has stressed repeatedly that if North Korea does not change its attitude, there would be nothing we could do.

DPRK Nuclear Talks Fail To Agree on Reactors

SK1401005695 Seoul YONHAP in English 0049 GMT 14 Jan 95

[FBIS Transcribed Text] Washington, Jan. 13 (YONHAP)—Working-level officials from South Korea, the United States and Japan have failed to agree on whether to specify the term "South Korean model" in a draft accord for establishing the Korea Energy Development Organization (KEDO) despite four days of intensive talks, diplomatic sources here said.

Seoul wanted the term "South Korean-style nuclear reactor model" to be specified for the nuclear reactors to be supplied to North Korea in the draft agreement on KEDO's creation, but the three sides failed to concur on that point, the sources said.

They will address the issue again at a meeting of higher-level officials in late January or February, according to the sources.

The negotiators spent four days discussing the draft agreement on the establishment of KEDO, the international consortium tasked with supplying light-water reactors for North Korea, as well as the draft contract between KEDO and North Korea.

In the draft contract between KEDO and North Korea, they were able to agree on specifying South Korea's Ulchin Nos. 3 and 4 as reference reactor models.

Washington agreed to specify the phrase "South Korean-style reactor model" in the draft contract between KEDO and Pyongyang, but opposed Seoul's proposal

that the term also be stipulated in the draft agreement on KEDO's creation, the sources said.

Since the three countries concluded the draft contract between KEDO and North Korea at the talks, the United States will negotiate with the North on the basis of that draft in late January, an official at the South Korean Embassy here said.

The official explained that the meeting "made considerable progress," adding that a basis for the formation of KEDO, slated for February, has been provided.

The meeting also reaffirmed that KEDO should supply South Korean-style light-water reactors to North Korea, he said.

Article Criticizes Role in KEDO Negotiations

SK1401040195 Seoul KYONGHYANG SINMUN in Korean 14 Jan 95 p 2

[From the "Reporter's Memo" column by political reporter Yi Sung-chol: "ROK Has Lost Face in KEDO Negotiations"]

[FBIS Translated Text] A working-level meeting among the ROK, the United States, and Japan to discuss supporting the North's construction of light-water reactors concluded in Washington on 13 January. This meeting has attracted our attention as it was the first negotiation with the United States since the appointment of Foreign Minister Kong No-myong.

We can affirmatively evaluate this meeting because, at a glance, the meeting agreed to an outline on the organization of the Korea Energy Development Organization [KEDO].

This notwithstanding, when we look closer at the process of this meeting, we cannot help but feel unpleasant.

The latest meeting was scheduled to be held for two days—9 and 10 January—but, the meeting continued for two more days because the three countries were in a bitter tug-of-war over the question of specifying "ROK-style atomic reactors" in the agreement on establishing KEDO.

Should "ROK-style atomic reactors" really be specified in the KEDO agreement?

Even high-ranking Ministry of Foreign Affairs officials are skeptical if specifying ROK-style reactors in the agreement will be practically advantageous.

Some ministry high-ranking officials even said while the meeting was under way: "It is enough to specify ROK-style reactors in the agreement to be concluded between North Korea and KEDO, as was agreed upon at the high-level talks in San Francisco in December 1994. We have long ago given up on specifying ROK-style reactors in the agreement on establishing KEDO."

Nonetheless, at the negotiating table, the government had continuously stressed the need to specify ROK-style reactors in the KEDO agreement. In other words, while not keenly feeling the necessity, the government was sticking to the specification of ROK-style reactors.

One high-ranking official hinted this was aimed at holding North Korea in check, stating: "This was not aimed at specifying such a reactor, but we did so because if we give up easily, North Korea may miscalculate."

Another high-ranking official said: "This was designed to seize an advantageous position in terms of our negotiations with the United States."

Most of the ministry officials are even questioning the effectiveness of such a policy goal. After all, no decision was made on the specification of ROK-style reactors in the KEDO agreement; and this was deferred to a future meeting for further negotiations.

Of course, Minister Kong, as a seasoned diplomat, may have something in mind. We cannot see something good, however, in what has been done so far.

In a word, we have lost face while seeking a goal, whose effect is not clear, without having the will to accomplish it.

While looking at Minister Kong's initial negotiations, we can now understand the meaning of what one senior diplomat stated: "In diplomacy, in particular in diplomacy with the United States, we should be open and aboveboard; then, we should be equipped with the will and guts to attain our goal."

Editorial Demands ROK-Type Reactors 'Be Fixed'

SK1601055695 Seoul TONG-A ILBO in Korean 16 Jan 95 p 3

[Editorial: "We Cannot Make Any Further Concession"]

[FBIS Translated Text] The provision of ROK-type light-water reactors to North Korea should be fixed. It seems someone has forwarded a compromise proposal not to specify ROK-type reactors due to North Korea's opposition, even though they will actually be provided to North Korea. However, we can not accept such a way of approaching this issue. The ROK should make it clear that the goal it must achieve in negotiations on laying out articles for the Korea Energy Development Organization [KEDO] is to specify ROK-type reactors, and the United States is urged to respect the ROK demand.

According to reports, in negotiations the ROK has insisted on specifying the provision of ROK-type reactors in the KEDO articles. The United States, however, is hesitating to make a definite decision, offering reasons that KEDO should not only provide light-water reactors to North Korea, but comprehensively handle overall implementation of the U.S.-North Korean agreement, and that North Korea will oppose the specification of ROK-type reactors in the articles. Instead, the United

States expressed that it will decide on providing ROK-type reactors when making a contract with North Korea on providing support for North Korea's switch to a light-water reactor system, although this decision is not specified in the articles of KEDO.

If this report is true, it embarrasses us. Who believes that the United States, who is so concerned about North Korea's opposition, can adhere to its position to the last in contracting with North Korea, while being unable to fix the provision of ROK-type reactors even in the articles of KEDO—whose major members are the ROK, the United States, and Japan? It is possible that the United States will pressure the ROK to make further concessions to lull North Korea in the future, is it not? I would like to ask the same questions to the ROK Foreign Ministry, which is in charge of the KEDO negotiations. Can the Foreign Ministry assure that it will be able to achieve the goal of providing ROK-type reactors in a contract with North Korea, while being unable to specify it even in the articles of KEDO, which can be regarded as an organization between "ourselves."

The provision of two 1,000-megawatt light-water reactors to North Korea specified in the Geneva agreement between North Korea and the United States has been interpreted to mean the provision of ROK-type light-water reactors. ROK-type light-water reactors stand for ROK-standard reactors, like Ulchin Reactor Nos. 3 and 4, which will be built in the future. However, 1,000-megawatt light-water reactors are possessed by Russia, as well as the ROK. The Yonggwang Reactor Nos. 3 and 4 are 1,000-megawatt light-water reactors that the ROK built with U.S. technology. This is why it has been stressed that the terms "ROK-type reactors" should have been fixed at the beginning of negotiations. Only when a definite decision is made on the provision of ROK-type reactors, can the ROK legally be guaranteed its key role in designing, manufacturing, and installing light-water reactors to be provided to North Korea, befitting the enormous share of the cost, \$3 billion, imposed upon the ROK.

The ROK can absolutely not make any concession in setting the condition that ROK-type reactors be provided to North Korea. To ensure this, the provision of ROK-type reactors should be specified in the articles of KEDO first, and the specified KEDO agreement should be strictly implemented in the course of signing a contract with North Korea in connection with this issue. If these procedures are not followed, we cannot help but interpret the U.S. intention from a different perspective [migugui uidorul talli haesokhalsu pakke opta]. The issue of providing ROK-type reactors to North Korea is directly linked to the creation of a symbolic and practical moment [sangjingjogigo silchilchogin kyegi] for improving South-North relations. The ROK diplomatic team is faced with a heavy task.

Tanker Carrying Heavy Oil Departs for DPRK

SK1501090995 Seoul YONHAP in English 0902 GMT 15 Jan 95

[FBIS Transcribed Text] Yochon, South Korea, Jan. 15 (YONHAP)—The Chinese oil tanker, Da Qing No. 94, carrying 22,500 tons of bunker C oil set sail from here for North Korea at 4:00 PM Sunday [1600 GMT 15 January].

Aboard the 67,000-ton tanker is a U.S. Navy official. The oil carrier is expected to arrive at the port of Sonbong on the northeastern coast of North Korea at 6:00 AM on Tuesday.

The 90,900-ton Liberian tanker, Lark Lake, will finish loading 27,500 tons of bunker C oil here until 8:00 AM on Monday and leave for Sonbong at 10:00 AM on Tuesday.

Under the framework nuclear agreement signed with North Korea in Geneva last October, the U.S. Government will deliver 50,000 tons of heavy oil to North Korea by Jan. 20 as the first shipment of its alternative energy supply.

Second Tanker Leaves for DPRK

SK1701073695 Seoul YONHAP in English 0724 GMT 17 Jan 95

[FBIS Transcribed Text] Yochon, South Korea, Jan. 17 (YONHAP)—A 90,900-ton Liberian tanker, the Lark Lake, left Yochon carrying 27,500 tons of Bunker C oil for North Korea on Tuesday, port officials here said.

The Lark Lake is the second ship to transport heavy oil bound for North Korea, part of the United States' supply of alternative energy to the communist country in return for a freeze of its nuclear activities.

The vessel will sail for 38 hours via the sea fronting the southeastern port city of Pusan along the east coast to Sonbong, a northeastern port in North Korea.

It is to arrive in Sonbong on Thursday morning.

Meanwhile, the 68,000-ton Da Qing No. 94, which left for Sonbong Sunday afternoon carrying 22,500 tons of Bunker C oil, will arrive Tuesday or may already be there, the officials said.

Under the agreed framework signed with North Korea in Geneva last October, the U.S. Government will deliver 50,000 tons of heavy oil to North Korea by Jan. 20 as the first shipment of alternative energy.

DPRK's Dialogue Refusal 'Serious Mistake'

SK1701141695 Seoul CHUNGANG ILBO in Korean 17 Jan 95 p 3

[Editorial: "If Economic Cooperation With North Korea Were To Be Promoted..."]

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[FBIS Translated Text] Recent indications are that the North Korean economy has embarked on a road toward rapidly opening up. This is noteworthy. North Korea reportedly has allowed the Coca Cola company to enter its market and agreed to establish a joint-venture bank with the Netherlands International Bank.

It also has given ROK business companies the rights to lease the Yugyong Hotel and send North Korean workers overseas. It also has allowed Ssangyong, Samsung, Daewoo, and other big enterprises to visit North Korea one after another. North Korea has requested investments in the electronics, machinery, and parts industries and public works overhead capital projects. After their officials returned from North Korea, the big companies are now examining plans to send more officials to make feasibility studies and open offices in Pyongyang. If these movements by North Korea represent its firm will to open itself up, we welcome them.

If foreign capital alleviates North Korea's poverty even a little, it will be beneficial to building a basis for reunification. Moreover, the United States is about to unfreeze the North Korean assets and lift its economic sanctions against North Korea. This is a bullish factor that will invigorate the North Korean economy. Taking a hint from the Clinton administration, U.S. companies reportedly have been positively examining plans to advance into North Korea.

However, North Korea has so far strongly rejected dialogue with the ROK authorities. This is North Korea's serious mistake. Large-scale investments in North Korea are not possible without our government's assistance, even though small-scale ones may be possible. There are no safety devices, such as an investment protection agreement, which are necessary for large-scale investments. Such safety devices can be provided merely through an agreement between the North and South Korean authorities. No South Korean company will invest large sums of money by taking North Korea's word for it.

North Korea seems to have the ulterior motive of courting economic cooperation to the exclusion of the ROK Government by making ROK companies and Western companies compete among themselves to advance into North Korea. Therefore, close cooperation between the ROK and the United States is all the more necessary. It is ROK companies that are capable of playing a leading role in investments in North Korea. Therefore, North Korea must know: It is all right for it to make feasibility studies and reach agreements with ROK companies. However, those companies must obtain approval from the government before implementing those agreements.

Coca Cola's Effort To Advance Into North Viewed
SK1501022595 Seoul CHUNGANG ILBO in Korean 15 Jan 95 p 3

[Editorial: "North Korea and Coca Cola"]

[FBIS Translated Text] It has been reported that the U.S. Coca Cola Corporation has been conducting negotiations with North Korea to advance into the North Korean market. This is a positive sign of efforts to force North Korea to open up. We should analyze the symbolic nature of this advance into North Korea from various viewpoints.

It has been more than ten years since North Korea enacted the Joint Venture Law to attract foreign capital. North Korea has failed, however, to gain any tangible results. If Coca Cola does advance into North Korea, this will turn out to be the most successful case built on the strength of this corporation's worldwide reputation.

Coca Cola is a multinational enterprise, which is often called the vanguard of U.S. capitalism. We have already seen the symbolic shockwave of this corporation's advance into closed societies, such as former communist countries in Europe and the PRC. North Korean ruling circles would view this as an adventuresome and ominous attempt. This notwithstanding, if North Korea accepts Coca Cola, this will show that North Korea values political and economic gains, while paying less attention to the risks of such an adventure, and that North Korea is seriously looking at its own problems.

First, we can view this in political terms as North Korea's efforts to improve relations with the United States. This shows that North Korea is making unrelenting efforts to approach the United States. In addition, North Korea would be able to display to its residents the results of its contact with the United States and allow them to have the shallow satisfaction of tasting a somewhat luxurious beverage. In economic terms, it is likely North Korea is attempting to achieve a propaganda effect abroad, rather than attain any substantial consequences at home. Coca Cola's symbolic effect is great and North Korea would conduct propaganda that it has opened up to foreign enterprises.

In addition, we should view Coca Cola's advance into North Korea from the viewpoint of our future economic cooperation with the North. It seems that other U.S. enterprises will follow Coca Cola in view of the persistence of U.S. corporations. In some cases, we cannot rule out the possibility that U.S. enterprises will establish bases in North Korea before us.

This must be a charming attraction for North Korea, which is trying to avoid South Korea's influence. The government and economic circles should keep a keen eye on this situation.

Samsung Plans Office in North Najin-Sonbong Area

SK1601030395 Seoul HANGUK ILBO in Korean 16 Jan 95 p 7

[Report by Yi Chong-chae]

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[FBIS Translated Text] The Samsung Group will be the first ROK enterprise to establish an office in North Korea. The Samsung Group investment survey team, headed by Samsung Electronics President Kang Chin-ku, officially conveyed to North Korea the group's desire to establish offices in Pyongyang and the Najin-Sonbong area. The group received an affirmative official reply from North Korea allowing Samsung to open an office only in the Najin-Sonbong area. This was learned on 15 January. Accordingly, it seems that Samsung's North Korean office will be established with our government's approval no later than the end of February.

A high-ranking Samsung Group official stated on 15 January: "The Samsung investment survey team visited North Korea, not only to examine the investment environment, but to solve the problem of establishing Samsung offices in North Korea. As soon as the survey team arrived in Pyongyang, it conveyed this intent and received a reply from North Korea allowing the establishment of an office in the Najin-Sonbyong area."

In principle, the government policy for promoting South-North economic cooperation allows ROK enterprises to establish offices in North Korea. North Korea did not exclude the establishment of South Korean enterprises when it officially announced it would allow foreign enterprises to establish offices in the Najin-Sonbong area. Thus, it is expected that many ROK enterprises will plan to establish their offices in North Korea in the future.

Schedules Working-Level Visit

SK16C. 12695 Seoul YONHAP in English 1101 GMT 16 Jan 95

[FBIS Transcribed Text] Beijing, Jan. 16 (YONHAP)—South Korea's Samsung Business Group plans to send a working-level fact-finding team to the Najin-Sonbong special economic district area of North Korea toward the end of next month.

This was disclosed here Monday by Kang Chin-ku, chairman of the Samsung Electronics Co., who has just been to North Korea as head of a 10-member Samsung mission.

Kang told South Korean reporters at Beijing's capital airport upon his team's arrival here that in the week-long stay in the North, his mission observed the Najin-Sonbong area and were briefed by North Korean officials on the planned development of the special district zone.

Also in the North, he discussed with North Korean officials on the production of electronics goods like television sets and related parts, and the construction of social infrastructural facilities, he said.

Kang said the North Korean officials they talked with included Yim Tae-tok, vice chairman of the External Economic Cooperation Commission, and Choe Kyong-un, deputy chief secretary of the North Hamgyong Province party committee.

"Our Samsung group plans to build electronics-related plants in the Najin-Sonbong area," Kang said. "To this end, a working-level fact-finding team will visit the area again around the end of February."

He said the team will in the North have concrete talks with North Korean authorities on the issues of constructing electronic plants, engineering for harbor construction, and building social infrastructural facilities.

"On a long-term basis, we see the need to create exclusive estates there for South Korean industries in same business lines," Kang said.

He observed that in terms of investment environment, the Najin-Sonbong district is regarded better than Southeast Asian areas because it has rich skilled workers and because North Korea seems positive toward economic cooperation with South Korean industries.

Kang said North Korea is now building infrastructural facilities there and it would be possible for South Korean industries to begin to advance there in the second half of next year at the earliest.

Regarding the permission by North Korea of South Korean businessmen's visit to the city of Pyongyang on a selective basis, Kang said North Korea seems believing it is too early for South Koreans to come in contact with Pyongyang citizens.

"It appears North Korea intends to allow South Korean industries to advance to the Najin-Sonbong area only which needs speedy development and which houses a small population," he said.

He added, however, that North Korea appears to have already decided formally to induce South Korean industries to the special economic district.

Earlier in the day, a Daewoo group investment mission which flew into North Korea on Jan. 12, returned to Beijing after a five-day tour.

Yi Kyong-hun, vice group chairman, who headed the mission said at the airport his team's visit was quite successful. "We will disclose the concrete matters we discussed with North Korea after we returned to Seoul," he said.

Yi said his team visited only Pyongyang without touring the Najin-Sonbong area.

Seoul Establishes Customs Teams for N-S Trade

SK1401052795 Seoul YONHAP in English 0518 GMT 14 Jan 95

[FBIS Transcribed Text] Seoul, Jan. 14 (YONHAP)—In preparation for inter-Korean economic exchanges and cooperation, teams to exclusively handle North Korean-made products will be stationed at South Korea's 30 customs houses while another customs facility may open at the truce village of Panmunjom.

At a meeting of directors-general of customs houses Saturday presided over by the commissioner of the Korean Customs Administration (KCA), Yi Hwan-kyun, the KCA made the decision while drawing up this year's customs operating plans.

Under the plans, the administration will station the teams at the 30 customs houses across the nation and put people in charge of 11 customs branches for quick handling of inter-Korean trade items in anticipation of a big increase in goods exchanges between the two Koreas.

The KCA also decided to upgrade the Uijongbu customs branch, making it the Seoul North Ward customs house, and, in case inter-Korean trade volume increases, newly establish a customs facility at Panmunjom to process South and North Korean trade goods crossing by land.

As part of an effort to prevent fraud related to transporting third-country goods claimed to be North Korean-made to gain non-tariff benefits, the KCA will exclude walnuts and mudfish from the list of automatic-approval items. Moreover, it will instruct its overseas customs officers to check whether goods, which have been declared as North Korean-made and are shipped via a third country, really come from the North or not.

Meanwhile, the directors-general decided to streamline clearance procedures, lowering the "conditioning ratio," or the proportion of items subject to inspection to all imported goods, to 10 percent from the current 30 percent.

Manufacturers with no record of nonpayment of tariffs can obtain clearance without a mortgage at first and make payments later, the meeting concluded.

In the meantime, Deputy Premier and Finance-Economy Minister Hong Chae-hyong stressed at the meeting that the nation has to advance the customs clearance system in order to help boost the businesses' international competitiveness.

Seoul Plans Special Regulations on Remittances

SK1401081495 Seoul MUNHWA ILBO in Korean 14 Jan 94 p 2

[FBIS Translated Text] Following the proclamation of its policy to officially allow ROK citizens to remit money and forward materials to, and exchange letters with, their separated families in North Korea, the government is planning to work out detailed administrative guidelines to buttress such a policy as well as publicly promulgate them and put them into effect this month.

In a 13 January breakfast meeting with several North Korean affairs editors, Kim Tok, deputy prime minister and minister of the National Unification Board [NUB], said: "We will map out relevant detailed guidelines at an early date and make them public."

This is construed as meaning the government is going to "adopt institutional devices" for ROK citizens to remit

money to their separated families in the North, thereby preventing in advance a probable legal debate and further galvanizing substantial exchanges.

In this respect, on the afternoon of 13 January Kim Yong-il, director general of the NUB Exchange and Cooperation Bureau, stated: "In November last year, when the government eased restrictions on economic cooperation with the North, we discussed with the now defunct Ministry of Finance the question of working out special regulations for existing laws on the control of foreign exchange in preparation for a time when our investments in the North would be galvanized. We can study ways to map out separate regulations and to enforce the regulations of the Law on South-North Exchange and Cooperation in preparation for a time when the number of cases of our citizens's remittances will increase."

At the same time, thinking that North Korea will possibly make ill use of the money remitted by ROK citizens to their separated in the North, the government is planning to work out countermeasures to cope with such possibilities. After making a comprehensive review of such problems, the government will decide whether it will devise special regulations.

DPRK Invites Japanese Media to Apr Festival

SK1401014095 Seoul YONHAP in English 0131 GMT 14 Jan 95

[FBIS Transcribed Text] Tokyo, Jan. 14 (YONHAP)—North Korea has invited Japanese journalists to visit this month, apparently hoping to lure large numbers of tourists to the "International Sports and Cultural Festival for Peace" in late April, informed sources here said Friday.

The sources said a pro-North Korean travel agency operating in Tokyo has sent a letter to each media company asking them to apply by Jan. 14 for a special news coverage program, running from Jan. 27 through Jan. 31, on facilities for the Pyongyang festival.

Chung-oe Travel Company, a general agency of North Korea's International Tourist Bureau and Air Koryo, said in the letter that it will pay all expenses including air fare, lodging and meals during the Japanese media's news-gathering trip.

But the agency attached certain conditions to the invitation, asking the press to run tourism articles on the Pyongyang festival upon their return to Japan. It also requested that they mention Chung-oe and its telephone number in their newspaper articles and send five copies of the issue carrying the story.

According to the invitation letter, the press corps are scheduled to take a chartered flight from the Japanese city of Niigata to Pyongyang and later travel to Panmunjom, the truce village in Korea's Demilitarized Zone.

Sources here estimate that major newspaper companies in Japan and even local papers will rush to apply for the pre-festival news coverage and that at least 100 reporters will be involved.

North Korea watchers speculate that the move is aimed at demonstrating the leadership of de facto leader Kim Chong-il at home and abroad on the occasion of his late father Kim Il-song's birthday on April 15 and at noting the projected establishment of a U.S. liaison office in Pyongyang by April 21.

They explained that North Korea intends to earn badly needed foreign currency by drawing as many tourists as possible to the festival in April.

Earlier Yi Chong-hyok, vice chairman of North Korea's Peace Committee for the Asia-Pacific, which is sponsoring the event, said in Japan that his country was hoping to attract some 10,000 foreign tourists.

The festival will be held under the joint auspices of the North Korean committee and the new Japanese Professional Wrestling Association.

North Value Orientation 'Shifting' to Materialism

SK1701055395 Seoul YONHAP in English 0543 GMT
17 Jan 95

[FBIS Transcribed Text] Seoul, Jan. 17 (YONHAP)—North Koreans' value orientation, or their way of viewing values, is slowly shifting to individualism and materialism, leaving them loyal to Kim Chong-il only superficially and critical of mid-level leaders for private freedoms, according to a research paper recently published here.

In a study of North Koreans' shifting value orientation, So Chae-chin, senior researcher at the National Unification Research Institute [NURI], said changes in their way of viewing values are causing "anti-chuche" phenomena, or criticism of the paramount value of chuche (self-reliance) advocated by the late Kim Il-song, in the political, economic and social fields, leading to questioning of the establishment.

The change is similar to the winds that swept the former Soviet Union and other East European Communist countries when they collapsed years ago.

Continued inflows of Western information from China and unprecedented economic stagnation are responsible for the change, which will go even deeper because North Korea has no means of coping with these two problems, So claimed.

The change has given rise to individualism, a black market, mammonism, active family relations, bribery and embezzlement.

A new saying now on the tongues of the North Korean people goes, "bribes are a must in human relations."

North Korean novels published of late amply demonstrate North Koreans' evolving value orientation toward individualism.

For instance, "The Father's Portrait" deals with a man's increasing desire for a material lifestyle, "I Can't Live With Things of Today" depicts a man's desire for property, "A Candle Light" represents mammonism and "The Watershed" relates a worker's demand for an incentive system by bringing bribery under fire.

And "The Long Way" shows active family relations as the main character says he likes his mother best, signifying that love and respect for mother is greater than that for Kim Chong-il and chuche thought.

So said the people's consumer goods production movement launched in 1984 combined with the 1989 Pyongyang Youth Festival, paving the way for border barter-trade with China to develop a second economy or black market.

Available on the black market are food, meat, fish, shoes, soap, underwear, liquor, cigarettes, handkerchiefs, cosmetics, hand mirrors and stationery.

Black market prices are generally 10 times higher than government-set prices, and even 50-100 times higher for some special items.

While government officials' monthly wages average 70 won, black market dealers make 300-400 won per month.

Former U.S. Envoy's Visit to Pyongyang Noted

SK1401032195 Seoul YONHAP in English 0306 GMT
14 Jan 95

[FBIS Transcribed Text] Seoul, Jan. 14 (YONHAP)—Former U.S. Ambassador to Seoul James Lilley and three other American specialists in Korean affairs will fly to Pyongyang from Beijing Saturday for a week-long visit at the invitation of North Korea's Peace and Arms Reduction Institute.

They are expected to talk with institute officials about implementing the North Korea-U.S. nuclear agreement to improve bilateral relations, and about resuming inter-Korean dialogue on carrying out the Seoul-Pyongyang basic agreement and the joint declaration on denuclearization of the Korean peninsula.

The other three experts are Prof. Kim Yong-chin of George Washington University, Don Oberdorfer, former WASHINGTON POST correspondent in Seoul and now an honorary fellow at John Hopkins University, and T. Patterson, an expert on defense and security affairs.

Seoul Reaction to U.S.-North 'Aperture' Viewed

SK1701120495 Seoul TONG-A ILBO in Korean 17 Jan
95 p 8

[Article by reporter Pak Che-kyun]

[FBIS Translated Text] North Korea and the United States are getting closer. The United States is going to lift the freeze of North Korean assets in the United States this week.

Accordingly, North Korea will be able to exercise its property rights for its \$14 million worth assets in the United States. The U.S. Government took this measure based on the Geneva agreement that stipulates that "the United States shall begin to ease trade and investment restrictions with North Korea within three months following the agreement."

According to the agreement, the United States will also allow trade of common goods with North Korea, as well as the opening of a direct telephone line between North Korea and the United States, in the near future. This means that the lifting of economic sanctions against North Korea that have lasted for about 44 years since the "Law on Restrictions of Trade With Hostile Countries" was enacted in December 1950.

North Korea has also announced that it will allow imports of U.S. commodities and entries of U.S. ships in North Korean ports from mid-January. Following the North Korean announcement, large U.S. enterprises, such as Coca Cola, AT&T, and Motorola, are busy planning to set up business in North Korea.

The ROK Government authorities are in a dilemma, watching North Korea and the United States coming close. The U.S.-North Korean aperture is an anticipated step in the course of resolving the nuclear issue. Accordingly, our government authorities think they should accept this on the level of resolving the nuclear issue.

However, there is no reason for us to be pleased with the U.S.-North Korean approach excluding the ROK. It is also our thought that U.S.-North Korean relations should not given priority over South-North relations.

Because of such a dilemma, the direction of government measures to cope with this has been divided into two. First, realists insist that we should accept the U.S.-North Korean approach as it is. They say it is useless for us to put the brakes on the U.S.-North Korean approach.

They stress that it is more reasonable to increase our share in North Korea by expanding South-North economic cooperation. That is, to this end, it is necessary to withdraw the demand for dialogue between the South and North Korean authorities that we set as a precondition for South-North economic cooperation.

Meanwhile, fundamentalists insist that we should strongly demand to the United States that U.S.-North Korean relations not be given priority over South-North relations. They stress the need to properly use the U.S. Republican Party that is unsatisfied with Clinton's policy of pacifying North Korea [taebuk yuhwa chongchaek].

Because of such differences in opinion, the government is still in confusion in preparing its policy to cope with the U.S.-North Korean approach. Accordingly, it seems that this issue will be intensively discussed in the meeting of unification-related ministers slated for 19 January, and the development of this issue is being watched with keen interest.

U.S. Blamed for Lack of Progress in N-S Ties

SK1601062595 Seoul SEOUL SINMUN in Korean 16 Jan 95 p 3

[Editorial: "North-South Relations Are a Key"]

[FBIS Translated Text] The implementation of the U.S.-North Korean agreement appears to be going more smoothly than expected. North Korea's freeze of its nuclear development program has been verified, and it is expected that the ROK-U.S.-Japan Korea Energy Development Organization, which will be in charge of supplying light-water reactors to North Korea, will be inaugurated smoothly. The first batch of alternative fuel has already been supplied, and U.S.-North Korean relations have improved markedly, as proven by the resolution of the helicopter incident and visits by U.S. dignitaries to North Korea. This is fortunate.

Nevertheless, why do we feel gloomy? Needless to say, this is because North-South relations have remained frozen. North Korea has refused to hold North-South dialogue and improve North-South relations, even while implementing all other details of its agreement with the United States. Meanwhile, holding North-South dialogue and improving North-South relations is the most important detail of the agreement between the United States and North Korea. North Korea's apparent reason for the refusal is South Korea's refusal to express condolences over Kim Il-song's death. North Korea has stepped up its criticism of the ROK, insisting that it will not hold dialogue with the ROK unless the ROK apologizes, that is, expresses condolences.

Therefore, it will be impossible for the United States and North Korea to implement completely their nuclear agreement unless North Korea changes its attitude. The ROK will pay most of the expenses for the supply of light-water reactors and alternative fuel to North Korea. In addition, a majority of ROK people feel that expressing condolences over Kim Il-song's death is intolerable. Nevertheless, using the condolence issue as a pretext, North Korea has refused to hold dialogue with the ROK and has undertaken to criticize us. How can we recklessly spend billions of dollars from our people's taxes for North Korea, a country of this nature, even though the money will be used to prevent North Korea from developing nuclear weapons?

While insisting that the ROK express condolences and apologize, North Korea has refused to hold dialogue with us. This means North Korea has an ulterior motive and has no intention of implementing the nuclear agreement.

This may, most likely, be stalling tactics to strain North-South relations, inspire enmity toward South Korea, promote a tense atmosphere at home, and, thus, wait for the passage of the transitional period, in which a power succession will take place and in which many socialist countries have been collapsing. This may also be a tactic to pass the blame for the failure to implement the nuclear agreement to the ROK and split up the ROK and the United States.

The ROK and the United States are heavily responsible for North Korea's attitude. We can say the ROK's pursuit of summit talks and its servile call for dialogue out of a political motive and ROK companies' competition to do business with North Korea have spoiled North Korea. We should say the United States is more responsible. The United States should have made North Korea clearly realize it will not be able to get light-water reactors and alternative fuel without improving relations with South Korea. North Korea seems to take advantage of the United States, which, while yielding to North Korea's unreasonable demands, thinks it can solve all problems concerning the ROK by using pressure.

It is fortunate that the United States, though belatedly, has hinted that it would link the U.S.-North Korean exchange of liaison offices with North-South dialogue. We think it a desirable measure that the ROK Government stated it would oppose signing the light-water reactors supply contract if no progress is made in North Korea's power succession [as published] and North-South dialogue. It is not us, but the United States and North Korea that urgently need North-South dialogue.

Daily on U.S. Lifting Freeze on DPRK Assets

SK1501024195 Seoul YONHAP in English 0236 GMT 15 Jan 95

[FBIS Transcribed Text] Tokyo, Jan. 15 (YONHAP)—The U.S. Government is considering lifting the freeze on North Korean assets worth 14 million dollars in the United States within the coming week, the NIHON KEIZAI SHIMBUN reported in a Washington-dated story Sunday.

The Clinton administration will also ease some restrictions imposed on commercial and financial transactions with the communist country since the Korean war (1950-53), the influential economic newspaper said.

The U.S. action will not only signal improvement of U.S.-North Korea relations, including rapprochement, but also have bearing on Western nations' relations with the reclusive country, the report said.

The State Department earlier submitted to the White House a list of measures easing the restrictions on trade with North Korea, including lifting the ban on exports of goods excluding high-tech items and military goods and establishing direct telephone links between the two countries. The list is pending President Bill Clinton's decision.

Under the framework nuclear agreement signed with the communist country in Geneva last October, Washington pledged to ease restrictions on trade with and investment in North Korea, including trade in the financial and communications sectors.

The Republican Congress born of the November elections is critical of the Geneva agreement, but it would not affect the administration's action lifting the freeze on North Korean assets because the administration need not refer such decision to Congress for approval, the newspaper said.

North Said Preparing for U.S. Business Ties

SK1701013695 Seoul YONHAP in English 0122 GMT 17 Jan 95

[FBIS Transcribed Text] Washington, Jan. 16 (YONHAP)—In light of the U.S. Government's plans to lift economic sanctions against North Korea shortly, the Communist country is speeding up preparations aimed at luring American business investment and facilitating the export of commercial goods to the United States.

A senior official at the North Korean mission to the United Nations, commenting on Ambassador Pak Kil-yon's recent visit to Coca-Cola Co. headquarters in Atlanta, said Monday [16 January] that "they exchanged views on the prospects for bilateral transactions."

The official said the meeting could be construed as being linked with the easing of economic sanctions under the Washington-Pyongyang nuclear agreement reached in Geneva.

Coca-Cola reportedly sent officials to Pyongyang twice in the past four years to sound out the possibility of doing business with the reclusive country.

Emphasizing that North Korea welcomes foreign capital, the official noted that prospects for direct trade with the United States are bright if Washington allows the step as part of its lifting of economic sanctions.

"We (North Korea) have already lifted all restrictions in connection with the shipping of American commercial goods into the country," he pointed out.

Although he did not elaborate on which North Korean items would be exported to the United States, trade experts in Washington observed that garments are a good bet.

Asked about the chances of a joint advance into third countries by South and North Korean businesses, the official sounded an optimistic note by saying, "That matter could be discussed in the future."

The U.S. Government, in the form of a presidential decree, is expected to announce an easing of its economic sanctions against North Korea soon in which Washington will expand the objects and scope of direct trade

between the two countries, allow direct telephone communications, permit overseas American bank transactions with the North, and lift a freeze on North Korean assets in the United States that has been in place since the beginning of the Korean War in 1950.

Diplomatic sources in Washington said that most of the North Korean assets frozen in the United States (an estimated 14 million U.S. dollars) comprise third countries' payments bound for North Korea presently held by American banks.

U.S. Hearings on Nuclear Issue, Trade Ban Noted
SK1401025795 Seoul YONHAP in English 0251 GMT 14 Jan 95

[FBIS Transcribed Text] Washington, Jan. 13 (YONHAP)—The North Korean nuclear question is expected to draw a fresh round of public attention over the next few weeks as a series of congressional hearings begins next Thursday and Washington gets set to ease sanctions against Pyongyang under the Geneva agreement.

For starters, three Senate committees plan to hold hearings to look into any problematic points with the U.S.-North Korea deal struck last October.

The Energy and Natural Resources Committee will hold a hearing on Jan. 19, the Armed Services Committee on Jan. 24 and the Foreign Relations Committee on Jan. 25.

The Senate Intelligence Committee, too, may call either a hearing or briefing on the nuclear issue.

The House of Representatives intends to check overall U.S. foreign policy in the presence of witness Zbigniew Brzezinski, former White House national security chief.

A public hearing on the nuclear question is also set to be held by the House Foreign Affairs Committee early next month.

Meanwhile, the Clinton administration will announce steps to ease the ban on trade with and investment in North Korea before Jan. 21.

Diplomatic sources here said the measures would not be comprehensive and would be taken step by step, beginning with those that may be implemented through administrative orders only.

They said the steps would feature the authorization of direct telephone service between the United States and North Korea, permission for overseas U.S. banks to deal with the North, and a halt to the freeze on North Korean assets in the United States implemented after the outbreak of the Korean war in 1950.

A U.S.-North Korea working-level meeting is scheduled for Jan. 17-21 in Pyongyang to address the issue of spent fuel rods, followed later this month by further bilateral talks to discuss concluding an agreement on the supply of light-water reactors.

In other developments, a State Department official is slated to visit Pyongyang from Jan. 31-Feb. 4 to look for a site on which to build a U.S. liaison office, and in late February the Korea Energy Development Organization (KEDO) is expected to be inaugurated formally.

Timed with the steps, Congressional leaders are moving to take action to supplement the U.S.-North Korea agreement.

A congressional source said they are discussing the possibility of proposing a joint resolution, instead of the multiple motions being considered, on the nuclear issue so as to enlist the support of as many lawmakers as possible.

The draft resolutions being reviewed on the North Korean question invariably suggest that the Clinton administration should be more positive toward easing Korean tensions, such as a resumption of the stalled South-North dialogue.

Therefore, the possibility cannot be ruled out altogether that if there are no signs of ebbing tensions in Korea, Congress may apply the brakes to budgetary backing for the implementation of the U.S.-North Korea agreement, including an exchange of liaison offices and additional easing of U.S. sanctions against North Korea, the source said.

Article Reviews U.S. Citizens' Visit to DPRK
SK1501035295 Seoul MAEIL KYONGJE SINMUN in Korean 15 Jan 95 p 2

[Article by So Yang-won]

[FBIS Translated Text] Four experts on Korean affairs, including James Lilley, former U.S. ambassador to the ROK, arrived in Pyongyang via Beijing on 14 January at the invitation of North Korea's Disarmament and Peace Institute [DPI].

The delegation is made up of civilians, such as former Ambassador Lilley; Don Oberdorfer, an emeritus research fellow at Johns Hopkins University; (Tokel Patterson), a national defense and security specialist; and Kim Yong-chin, a professor at George Washington University. It has been learned that during their eight days in North Korea, the delegation will meet North Korean foreign affairs officials, as well as DPI officials.

Their visit is greatly attracting our attention because the visit has been realized under the circumstances in which the North Korean side is actively trying to improve relations with the United States, while calling for the conclusion of a peace agreement; and in which the United States will eventually ease economic restrictions against the North, including allowing its businessmen to visit the North.

North Korea's invitation is part of its efforts to invite a succession of important U.S. figures, including U.S. Congressmen. In this respect, our government believes

the North Korean side will publicize the necessity to establish the system of a peace agreement on the Korean peninsula and to reduce and withdraw U.S. troops from the ROK.

In this connection, one government official concerned said: "It seems that the North Korean side is attempting to create a pro-U.S. climate by inviting influential civilians, as well as U.S. politicians, for the purpose of promoting the improvement of North-U.S. relations. Such an act of the North Korean side may be part of its preparations to realize the withdrawal of U.S. troops from the ROK and the conclusion of a peace agreement."

It is not clear what kind of message this delegation is carrying. It has been learned, however, that they will discuss with the North Koreans the disarmament of the Korean peninsula and the question of North Korea's faithfully implementing the North-U.S. agreement, including the fulfillment of the declaration of the denuclearization of the Korean peninsula.

Their visit to the North will not bring about any quick concrete results, but this visit will obviously and positively affect the improvement of North-U.S. relations. In accordance with the North-U.S. agreement reached on 21 October 1994, the United States will ease economic restrictions against the North by 20 January. In this regard, members of the American Chamber of Commerce in the ROK, such as Coca Cola, AT&T, and Mackenzie, will rush to the North.

After all, North Korea and the United States will improve their relations by traversing down the road they have paved to bring about the delivery of the first shipment of heavy oil to North Korea; the easing of restrictions of trade and investment against North Korea; and the opening of liaison offices in the North and the United States.

In the meantime, in terms of South-North relations, South Korean civilians, such as officials from Ssangyong, Samsung, and Daewoo Business Groups, have been continuously visiting the North; but, there has been no breakthrough in improving relations between the authorities of the South and North. Also on 13 January, the North Korean side indicated, through a MINJU CHOSON commentary, that North Korea was still maintaining its previous position, saying: "The DPRK and the United States are the direct parties concerned to the system of a peace agreement on the Korean peninsula. South Korea is not in a position to squeeze itself into the question of establishing a new system to guarantee peace."

The government will convene a national unification-related ministerial conference under the chairmanship of Kim Tok, deputy prime minister and minister of National Unification Board, on 19 January. The government will then work out countermeasures to improve the relations between the South and North in connection

with the improvement of relations between the North and the United States. Our side has designated this year as the "year in which South-North relations will be substantially improved." It remains to be seen how our side will improve our relations with the North in step with the improvement of North-U.S. relations.

Diplomat Pak Kon-u Appointed Ambassador to U.S.

SK1701080795 Seoul YONHAP in English 0648 GMT 17 Jan 95

[FBIS Transcribed Text] Seoul, Jan. 17 (YONHAP)—Vice Minister of Foreign Affairs was appointed ambassador to the United States Tuesday, the Foreign Ministry announced.

Pak will be the first vice foreign minister to take up the politically sensitive post of ambassador to Washington, ministry officials said.

A career diplomat who is an expert on American affairs, Pak will assume the post around Jan. 30.

He spent over 10 years in the United States while working for the ministry, serving twice in Washington, once in New York and once in Atlanta.

He served as director-general of the ministry's American Affairs Bureau and chief of protocol.

Government Plans To Lift Business Restrictions

SK1701005595 Seoul THE KOREA HERALD in English 17 Jan 95 p 8

[FBIS Transcribed Text] The government plans to lift restrictions on foreign direct investment by domestic corporations in the manufacture of ready-made clothes and five other business areas.

Semiconductor and petrochemical manufacturers will be able to expand their plants or build new ones without obtaining permission from the government.

These are some of the measures that will be incorporated into a new industrial policy, which is scheduled to be made public later this month.

The Ministry of Trade, Industry and Energy is working with the Ministry of Finance and Economy and other government agencies on a new industrial policy which will make entry into and exit from an industry easier.

The new industrial policy will reduce government intervention and give greater freedom to corporations in making decisions on investments, an official from the Ministry of Trade, Industry and Energy said yesterday.

One such example is technology imports. By regulating them, the government has in the past restricted corporations from entering new business areas.

Though technology imports are liberalized, it has been impossible for corporations to import technologies without the government's consent.

All technology importers have to do is to notify the government of their import plan, but the government often refused to accept such notifications when it considered it necessary to restrict certain technology imports.

The Samsung Business Group had to obtain a consent from the government before it submitted its notification of importing technology from Japan last December to build a plant to assemble passenger cars.

The government also plans to lift restrictions on foreign direct investments by domestic corporations in the manufacture of ready-made wear, textile printing and four other business areas.

Currently, foreign direct investments are restricted in 14 business areas.

The Ministry of Trade, Industry and Energy also plans to abolish its guidelines for investments in petrochemicals and semiconductors during the first half of this year though they are valid until the end of the year.

But a ministry official said the government will continue to intervene in corporate investments when they threaten environmental protection, balanced regional development and technology development.

The government will continue to coordinate investments in the development of a midsize airliner and in the defense industry, the official said.

OECD Entry Application Delay Reason Viewed

SK1601094495 Seoul YONHAP in English 0758 GMT
16 Jan 95

[FBIS Transcribed Text] Seoul, Jan. 16 (YONHAP)—The government has decided to seek admission to the Organization for Economic Cooperation and Development (OECD) and enforcement of the renovated foreign exchange system from March, two months later than scheduled.

The Finance and Economy Ministry announced Monday that the government will submit an OECD entry application at the end of March in light of working procedures. The application was originally scheduled to be sent this week.

Commenting on the delay, the ministry's director-general of International Economic Policy Bureau, Chong Tok-ku, disclosed: "South Korea's full-membership admission to the OECD will be presented on the agenda at a meeting of the OECD ministerial-level council slated for June, so it's okay for us to hand in our application two or three months before the session. Furthermore, an office to assist in gaining admission will be set up in

Paris before the end of March. We thus made the decision to bring forward the application around that time."

The director-general denied that the delay in entry submission from last year's end to this week and again to March is because of the Mexican financial crisis, saying it is due to unsatisfactory working procedures.

The ministry fixed a schedule under which the government would consult with the OECD Secretariat in the second quarter of this year on entry negotiations and, from the latter half of the year to March 1996, actively push for membership. Should its entry be decided, the country would table a parliamentary motion and a ratification instrument before the OECD pursuant to joining at next year's end, the ministry said.

On top of that, the ministry decided to put off enforcement of the reform of a three-phased foreign exchange system from March, originally planned to begin next Wednesday.

Matters demanding the amendment of the foreign exchange act would have been scheduled from the latter half of this year, and others carried out from this month, the ministry explained, adding that the delay in enforcing the reforms was unavoidable due to insufficient follow-up.

At an expanded ranking officials' meeting in the morning, Deputy Premier and Finance-Economy Minister Hong Chae-hyong said: "We aren't able to say the delay has completely nothing to do with the Mexican financial crisis, but let people know there is almost no influence by the crisis."

DP Feud Takes New Turn With Mediation Efforts

SK1701082295 Seoul YONHAP in English 0717 GMT
17 Jan 95

[FBIS Transcribed Text] Seoul, Jan. 17 (YONHAP)—The internal feud racking the opposition Democratic Party (DP) is entering a new phase as party advisor and senior lawmaker Kim Sang-hyon has dropped out of the leadership race and proposed a compromise.

Observers say Kim's proposal may be deemed "persuasive" by DP Chairman Yi Ki-taek, who has been openly thinking of bolting the party to create a new one.

During a press conference at DP headquarters in Mapo, Seoul, Kim declared he would give up his run for the party leader's post at the national convention to prevent a split.

He then proposed that the national convention be held in February to revise the party constitution so it can be operated under a "single leadership-like collective system," which would be put into effect immediately after the revision.

"The internal feud has reached an extreme point and there is talk of the DP chairman's resignation and secession," he said, calling for Yi to return to his post at once to preserve DP unity and reform.

In a related development, Supreme Council Members from the DP's largest faction, "Tongkyo-tong," together with middle-of-the-roads and non-mainstreamers met Tuesday and prepared a compromise under which the national convention would take place in February to revise the party constitution so that a "single leadership-like collective system" can be adopted.

The meeting also agreed to have head Supreme Council Member Kim Won-ki visit Chairman Yi to negotiate the pending issues of the party national convention and leadership election.

Their approach is considered a true compromise, in comparison with other DP members' conciliatory steps to soothe Yi so he will stay on.

The DP advisor asserted that his proposal accommodates almost all of Yi's demands except for the adoption of a single DP leadership system.

He said that "Yi will have no other choice but to accept the compromise plan in the end."

In this connection, Chairman Yi, currently in seclusion in Seoul, is said to have started screening these proposals and will make a decision shortly.

Feud Said Brought Under Control

SK1701093095 Seoul YONHAP in English 0842 GMT 17 Jan 95

[FBIS Transcribed Text] Seoul, Jan. 17 (YONHAP)—The internal strife plaguing the opposition Democratic Party (DP) over the issue of a national convention was brought under control in a dramatic fashion Tuesday afternoon.

Three faction leaders including Chairman Yi Ki-taek met at the Seoul Garden Hotel and agreed to hold a special national convention in February or March to revise the party constitution so that the existing collective leadership system can be converted into a "single leadership-like" one.

The other two participants were DP advisor Kim Sang-hyon and Supreme Council member Kim Won-ki.

Meanwhile, Kim Tae-chung, chairman of the Peace Foundation for the Asia-Pacific Region, was quick to express joy upon hearing of the breakthrough, saying, "I'm very much pleased."

The three negotiators also decided to hold a regular national convention around August, following nationwide local elections in June, to choose a new leadership through open competition, retaining the present leaders including the chairman and Supreme Council members until that time.

Under their agreement, the opposition party's months-long feud over the leadership issue and Chairman Yi's threat to bolt the party will likely be brought under complete control.

The three also agreed to have four DP members (Han Kwang-ok, Sin Sun-pom, Kim Chung-kil and Kim Tae-sik) draft a revision to the party constitution which will be endorsed by the chairman at an Executive Council meeting.

After the meeting, Chairman Yi said, "As the two people (Kim Sang-hyon and Kim Won-ki) have given up competing for the party leadership, I could no longer advocate my own assertion."

Yi added that the new leadership under a revised party constitution will be based on a "consultative system."

DP spokesman Pak Chae-won declared that the party will triumph in the forthcoming local elections using the momentum of its rebirth.

Attempt To Create 'Four-Party System' Criticized

SK1701135395 Seoul KYONGHYANG SINMUN in Korean 17 Jan 95 p 3

[Editorial: "Is the Creation of 'a Local Party' the Reorganization of Political Circles?"]

[FBIS Translated Text] Internal disputes in both the Democratic Liberal Party [DLP] and the Democratic Party [DP] that resulted in the insistence on the replacement of a generation have finally been amplified to bring about the reorganization of political circles. It would be very desirable for political development if the political circles were reorganized positively. The current situation, however, is being driven to the worst political structure. It seems that a changing alignment of four political parties based on favoritism out of regionalism will take place. This is not political development, but historic retrogression.

The current political structure is not much different from the "One No and three Kims system" that appeared during the general elections in 1987 when regionalism prevailed more than ever. Kim Chong-pil, representative of the DLP, who comes from South Chungchong Province, has uneasily associated with Kim Yong-sam whose hometown is South Kyongsang Province. Backed by non-Honam forces outside the National Assembly, DP representative Yi Ki-taek has sponged on the Honam [North and South Cholla Provinces] forces. The leading DLP forces attempted to oust Kim Chong-pil, and Yi Ki-taek tried in vain to elevate his status in the DP. This is the origin of the internal disputes in both parties.

If those who claimed to pursue changes had clearly stressed the replacement of a generation, they could have been supported by some people. However, they failed to do so. First, the DLP's political incapability was a

problem. While calling for the grandiose globalization, the DLP was not able to do such a minor thing as replacing its representative.

What is political development? It is outgrowing from favoritism out of regionalism, politics of forming a faction around the leader, patriarchal leadership system, and operation of a party by using authority power. However, the DLP has been becoming a private party as it has strengthened the party president's authority, running counter to the trend of the times. This is why its attempt to remove Kim Chong-pil is not convincing. Meanwhile, DP representative Yi Ki-taek made a worthless challenge without close calculation or logic, and without taking the reality into consideration. This only resulted in narrowing his ground.

Representative Kim is now trying to create a new conservative party, backed by the middle classes, while Representative Yi is trying to create a new integrated opposition party, backed by the non-Honam forces. This is just an outward expression by themselves, and in fact, Kim Chong-pil's attempt is nothing but an effort to collect some dissident forces inside the party and homeless migratory politicians, backed by those who are from North and South Chungchong Provinces. The DP without Representative Yi will have a clearer regional color. Thus, the establishment of the new four-party system is going back to the regionalism-based "One No and three Kims" system.

The most desirable reorganization of political circles at this moment is dispersing all politicians and gathering them again based on ideology, party policy, and doctrine, breaking from favoritism out of regionalism and kinship. This ideal political reorganization is not easy because the existing political frame is excessively firm. However, the regionalism-based old politics should be gradually improved at least. Like the "One No and three Kims system," the new four-party system would be given a stern trial in the future. All politicians should make efforts to correctly lead the direction of today's political reorganization, with a sense of history.

Finance Minister Discusses National Economy

SK1701011695 Seoul THE KOREA TIMES
SUPPLEMENT in English 17 Jan 95 pp 1, 2

[Report on interview with Hong Chae-hyong, deputy premier and minister of finance and economy, in an interview with THE KOREA TIMES staff reporter Kim Chang-yong at Hong's office in Kwachon in Seoul—date not given]

[FBIS Transcribed Text] Not only central but local administrations will have officials for exclusively handling foreign investors as part of their stepped-up effort to draw more capital from abroad, moves which will entail transfer of high-end technology and generate new employment, the top economic planner says.

The officials will provide a broad spectrum of services to foreign investors, from designating land and arranging loans to facilitating employment in their areas.

"Contact them for convenient investment on a national or local level," new Deputy Premier-Minister of Finance and Economy Hong Chae-hyong said in an interview with THE KOREA TIMES at his spacious but plain office in Kwachon in Seoul's southern suburb.

"It seems useless to set up an organization at a time of bold administration downsizing," he remarked when asked about a Korean version of Singapore's Economic Development Board, the Malaysian Industrial Development Authority or other Asian foreign investment promotion offices which are all said to be doing well.

"Without such an agency," he stressed, "we can provide a virtual one-stop service here because all economic ministries are headquartered in one location. It is more important how it functions than whether a specific organization exists or not."

His giant ministry has the Foreign Investment Division commissioned to consult and serve foreign investors, while lifting the remaining restrictions on international capital flow and planning to open 57 more industries to them by June. Financial and tax incentives will be offered to investment in high-tech projects.

A comprehensive advisory center for foreign investment, managed by the division and manned by nine staffers from the Justice Ministry, Office of National Tax Administration and Korean Customs Services as well as the ministry, will soon move to downtown Seoul for the benefit of investors.

In step with fast change toward decentralization, local administrations will appoint their own officers to attract foreign businessmen to invest in their districts.

"Municipal and provincial administrations have been given final authority, so they are able to take steps to create a favorable business climate and lure foreign investors," Hong added.

Local administrations are just as eager as the central administration to boost their economic status, increase jobs and raise tax revenues in preparation for complete local autonomy, already sending trade missions and building industrial sites overseas.

As chairman of the regular Economic Ministers' Meeting, Hong, the number two man in the Cabinet, promised to hand over more power to mayors and governors and guarantee more room for economic autonomy in order to help them stand on their own feet financially and strengthen their self-rule capabilities.

The Ministry of Finance and Economy, a superpower born through the merger of the elite Economic Planning Board and the Ministry of Finance, controls all public institutions with its budgeting authority on one hand and

sets the tone of the economy with its financing and banking policies on the other.

Last year alone, inflow of foreign capital totalled 1,317 billion dollars in 646 projects, according to ministry officials. The figures were surges of 26.1 percent in value and 41 percent in the number of projects.

Slightly more than half the money came for new projects, not for expansion of existing facilities, owing to "full recovery of domestic business activity, robust prospects for the future, deregulation and positive courting of investors," said Chong Tok-ku, general manager for external economic policy.

Efforts will also be made to spur domestic companies' ventures into the world market in what is popularly called "globalization," one goal of government set this year by President Kim Yong-sam on Jan. 6.

Export credits will swell from last year's 2,600 billion won to 3,400 billion won (approximately 4,250 million dollars) to give a boon to Korean enterprises' competitiveness in world bidding.

The Economic Development Cooperation Fund, a government fund extended to developing countries in long term low-interest loans, will more than double to over 300 million dollars this year.

Declared the 56-year deputy prime minister, "By the early 21st century, our economy will match the levels and norms of advanced industrialized nations. To this end, we will chart our own multilateral, regional and bilateral strategies."

Next year, Seoul is due to join the Organization for Economic Cooperation and Development, a prestige club of 25 developed economies, which has taken the initiative in establishing the new international economic order including the World Trade Organization.

Playing a key role in gathering the sprawling economies of this region under one umbrella, it already has a say in the Asia Pacific Economic Cooperation forum which is gearing up for a loose economic union.

APEC leaders made a landmark stride in this direction last November, resolving to open the markets of developed nations by 2010 and those of developing nations by 2020.

These celebrated programs are all based on favorable economic trends.

The brisk business is a blessing indeed for Hong's economic team, whose predecessors were heavily burdened with pulling the economy out from a downswing.

"An economic upturn will continue through this year. We will put priority on price stabilization and readjust the economic growth to some 7 percent," the beaming chief economic policymaker said, calling the 1994 performance as "greater than expected."

He drew rosy pictures during a New Year briefing to the president Monday: exports surpassing 100 billion dollars and per-capita income reaching 10,000 dollars, both step 10-fold hikes over the last 20 years.

These predictions do not mean the deputy premier, responsible for a score government committees, is free from worry.

He is now applying the brake on the economy to curb rises in the prices of commodities and real estate which could gain momentum from vigorous business and a potential consumption spree around the June elections.

Hong, who introduced the real-name financial transaction system as finance minister and cut room for spoiled deals in August 1993, is now championing a ban on the over 70-year-old custom of allowing borrowed names in real estate registration in a desperate bid to prevent land speculation.

His top deputy, Vice Minister of Finance and Economy Yi Sok-chae, for his part, hurriedly convened senior officials of relevant ministries to take corrective measures to arrest commodity prices last week.

Another thorn in his side is an expanding trade deficit. Imports are likely to outgrow exports to result in an estimated 4-7 billion dollars in the red, according to an official forecast for 1995. If the capital account is added, the overall balance of payments will be a deficit of 8-10 billion dollars.

But Hong and his staff are not vexed much by the trade gap.

"The expected deficit is no more than 1 percent of our gross national product and is not a heady problem for our two-way trade volume, which is well over 200 billion dollars a year," said An Pyong-u, assistant minister for planning and management.

Seoul Releases Secret Documents on 1960 Events

SK1601031095 Seoul YONHAP in English 0237 GMT
16 Jan 95

[FBIS Transcribed Text] Seoul, Jan. 16 (YONHAP)—The secret diplomatic documents the government declassified and made public Monday are chiefly related to the events of the early 1960s, while most of the facts they contain are already known.

The documents, marking the second release of declassified government papers following the first-ever such release last year, deal with the April 19 student revolution of 1960, the resulting retirement of President Syngman Rhee, the May 16 coup d'etat of 1961 and Pak Chong-hui, and the military commitment to the Vietnam war. They also include records of prisoner-of-war exchange negotiations in the armistice talks on the Korean war, which were excluded from the first declassification last year.

The second release consists of 100,000 pages making up 841 volumes.

Most classified information on Rhee's forced retirement in late April 1960 was destroyed by Rhee's secretaries following the student revolution while the secret documents of the Second and Third Republics have disappeared for one reason or another, archives officials said.

Top-secret documents related to Korea-Japan normalization talks were excluded from the release under an agreement with Tokyo and Washington.

Also omitted were U.S. Secretary of State Christian Herter's eight-point memorandum and American Ambassador Walter P. McCaughy's memorandum urging Rhee to step down, both of which were sent to Rhee in April 1960, without any convincing explanation, raising suspicions that the government still has something to hide from the public regarding its relations with Washington in 1960.

But the released documents do include records related to McCaughy's meeting with Rhee on April 21, 1960, about the student demonstrations protesting against election rigging.

The records show a sharp difference of opinion on the election fraud and student demonstrations between Rhee and the U.S. ambassador.

Yi viewed the demonstrations as the product of a joint scheme by Vice President Chang Myon and Archbishop No Ki-nam to topple his government by using the Catholic Church in violation of the Constitution, and he said he would present to the U.S. Government evidence of Chang's efforts to instigate students to take to the streets.

But McCaughy told Rhee that his ministers had misled him by not informing him of the real public opinion and the truth about the March 15 election fraud.

He then stressed the need for Rhee to take drastic action and for constitutional reform in order to settle the chaos and unrest, in effect pressing for Rhee's retirement and a cabinet system reform of the Constitution.

Rhee left Seoul secretly on April 29 for self-imposed exile in Hawaii, and in March 1963 he tried to return but failed because of junta chief Pak Chong-hui's objections, according to the released documents.

A joint statement by Prime Minister Chang Myon and Ambassador McCaughy issued in April 1961 signaled the start of Korea-U.S. talks on concluding what was to become the Status-Of-Forces Agreement on American troops in Korea, though this accord is now a matter of controversy both in Korea and the United States.

Also included in the release were documents related to the Pak Chong-hui government's request for foreign loans to finance the first five-year economic development plan in the early 1960s.

Among them was Foreign Minister Song Yo-chan's letter of Aug. 3, 1961, to U.S. Ambassador to Seoul Samuel D. Berger, asking for American military assistance.

In this letter, Song, saying Pak was taking a variety of measures to build a self-supporting economy under his "revolutionary pledges," cited the country's tough security problems as the reason U.S. military aid was required.

An interesting report evaluating Pak's coup d'etat issued by the policy study office of Taiwan's Administrative Yuan (cabinet) was also included in the release.

Also of interest were many documents related to the dispatch of non-combat troops to Vietnam, such as a mobile Army surgical hospital and Taekwondo (Korean martial art) instructors.

Among them were letters exchanged between Seoul and Hanoi and Washington's letters persuading Seoul to send troops to Vietnam.

These documents show the difficult negotiations Seoul had with Hanoi about the status of Korean troops in Vietnam.

The government letter sent to the commander of the U.S. Forces Korea and the UN Command asking him to consent to the troop dispatch to Vietnam, after having decided to do so at U.S. request, shows the ironic nature of Seoul-Washington relations at the time.

Education Ministry Reports on New Year Policy

SK1601074495 Seoul YONHAP in English 0727 GMT
16 Jan 95

[FBIS Transcribed Text] Seoul, Jan. 16 (YONHAP)—Primary and secondary school principals can exercise drastically expanded autonomy beginning the first term in March, enabling them to determine the number of daily classes, length of vacations and curricula.

Starting with the second term in September, exceptional primary and secondary school students will likely be allowed to skip grades, with the senior high school equalization system slated to undergo an overall revision with a view to enhancing the nation's competitive edge in education.

Education Minister Kim Suk-hui reported these plans to President Kim Yong-sam Monday morning in her ministry's new year policy guidelines.

"Greeting a globalization era, the Education Ministry will boldly implement autonomy and diversification steps this year designed to maximize creativeness in primary and secondary education, while enforcing autonomy in higher education."

To that end, the ministry aims to revise relevant laws and regulations by the end of February and enforce the proposed autonomy for primary and secondary school principals when the new school year opens in March.

It also plans to improve the class instruction and evaluation system to stress personality building, breaking from the current point-centered assessment, and to induce participation in and support for school education by parents, local residents and alumni.

The ministry's educational reform formula also calls for expanding across the country the experimental "no satchel day" practice, implementing a "five-day-a-week class" system once a month on a demonstration basis, energizing small-group, experiential and exploration activities at school as a means of fostering students' creativity, and reinforcing practical exercises and subjective evaluation.

To sharpen the nation's educational competitiveness, the ministry will strive to improve the current senior high school equalization system in such a way as to boost diversity and creativeness in primary and secondary education, and help poor students by providing them with supplementary education in separate classes. Skipping grades for extraordinarily bright students will also be introduced.

In order to expand English education at an early stage in primary school, the ministry plans to invite 100 native-speaking teachers to Korea this year and boost their number to 500 by 1997. The country employed 59 native speakers last year.

Also envisaged by the ministry is diversifying the duration of junior colleges from the present uniform two years to between one and three years.

"Remote screen education" aided by an ultra-high frequency communication network will be conducted on a demonstration basis at five primary schools in Kangwon Province beginning in March.

Minister Kim told the president that short-, medium- and long- term improvement plans for the college entrance examination system to be applied after the 1996 school year, an improved formula for the senior high school equalization system, and plans for supplementing the 6th curricula applicable from this year would be reported later separately.

Burma

Khin Nyunt Receives Japanese Diet Delegation

BK1601150495 Rangoon Radio Myanmar in Burmese
1330 GMT 16 Jan 95

[FBIS Translated Text] Lieutenant General Khin Nyunt, secretary-1 of the State Law and Order Restoration Council of the Union of Myanmar [Burma], received Mr. (Shihito Nagano) and Mr. (Shinya Izumi), both Japanese Diet members, and their party at the Defense Ministry's Dagon House at 0800 this morning. Also present were Foreign Minister U Ohn Gyaw, Protocol Department Director General Thura U Aung Htet, and Japanese Ambassador Mr. Takashi Tajima.

During the meeting, Myanmar's prevailing situation, economic development activities, and achievements were explained and a cordial and friendly exchange of views was held on bilateral economic cooperation prospects.

Ministry Allows Trade in Rice To Ease Shortage

BK1201152795 Rangoon Radio Myanmar in Burmese
1330 GMT 12 Jan 95

[FBIS Translated Text] The ministry of trade issued a notification on 8 February 1990 on registration and procedures concerning rice wholesalers. At present, to speed up and smoothen the flow of rice—which is the staple food, to stabilize and reduce rice prices, and for the affordability of consumers, the notification on registration of rice wholesalers have been abolished so that Myanmar [Burmese] nationals can freely trade in rice.

Three-Year to Life Sentences Given for Fraud

BK1401153195 Rangoon Radio Myanmar in Burmese
1330 GMT 13 Jan 95

[FBIS Translated Text] Authorities concerned have exposed people who were involved in the fraudulent use of state funds. Among them were some bank personnel from the branches of the Union Bank of Myanmar [Burma]—Bank No. 1, Bank No. 5—and the Myanmar Foreign Trade Bank and persons acting as agents. Legal action was taken in connection with the case.

Authorities concerned received reports that some people with access to government departments have been acting as agents and some unscrupulous bank personnel and people colluded in fraudulently withdrawing funds. It was also reported that many fraudulent practices—such as the impersonation of public service personnel and issuing of fake permits for the construction of houses and fake lease documents without being genuinely engaged in business—in order to take out loans. There were reports also of the illegal transfer of foreign exchange and the fraudulent withdrawal of funds from the Myanmar Foreign Trade Bank. Upon receiving these reports, the authorities carried out investigations which led to the arrest of 120 persons, including bank personnel and

agents. Among them were 31 agents, 28 bank personnel, 11 departmental personnel, and 50 persons from outside. The amount of state funds which were fraudulently withdrawn totalled Kyat 15 million and U.S.\$102,659.

Legal action involving 46 cases was taken against the defendants under Article 3 of the 1963 Law for Safeguarding Public Property and Articles 109, 420, 468, and 471 of the Criminal Procedure Law. The Supreme Court formed Tribunal Nos. 1 and 2, each with two divisional judges, in order to correctly and speedily adjudicate the cases during April and May 1994. Those who were convicted were given prison terms ranging from 10 years to life imprisonment under the 1963 Law for Safeguarding Public Property and three to seven year jail terms under the Criminal Procedure Law. Three were given life sentences.

KNU Spokesman Discusses 'Split' Between Factions

BK1301143895 London BBC in Burmese to Burma
1345 GMT 12 Jan 95

[FBIS Translated Text] Listeners: Following a conflict between the Buddhist and Christian members of the KNU [Karen National Union], a faction composed mainly of Buddhists has formed a DKBO—Democratic Karen Buddhist Organization. The DKBO faction has also formed its own army called the DKBA—Democratic Karen Buddhist Army. Daw Tin Htar Swe [member of BBC Burmese Service] interviewed a spokesman of the KNU concerning the split into two factions within the KNU and a growing conflict between the two factions which has now developed into an open clash.

[Begin recording] [Tin Htar Swe] What is the current situation regarding the conflict within the KNU?

[Unnamed KNU spokesman] The current situation is that we understand that the SLORC [State Law and Order Restoration Council] is encouraging and supporting the splinter group which left the KNU. There is considerable problem in controlling the situation.

[Tin Htar Swe] May I interrupt you to ask if you can cite proof of SLORC support?

[KNU spokesman] Major General Maung Hla and about 20 SLORC officers arrived by helicopter at Myainggyingwe Monastery between 1000 and 1100 on 10 [January] and held a closed door meeting with DKBO leaders, including the Venerable U Suzana. They stationed troops from the 44th Division in the villagers around the monastery to provide security. What we understand is that six DKBO members were monks [words indistinct], but other monks, who were aware of the SLORC's tactic to divide and instigate, did not participate. We understand that U Tha Htoo Zaw, chairman of the DKBO, and other leaders are rather

weak in the understanding of politics and national revolution. We believe the SLORC is trying to arm and use the DKBA in its offensive against KNU headquarters.

[Tin Htar Shwe] So, you believe the growing conflict is due to SLORC instigation. However, hasn't the religious conflict been there in the KNU?

[KNU spokesman] Well, the religious conflict started after the abbot arrived at the Myainggyingwe Monastery and started his mission to propagate Buddhism and build pagodas. When the situation was good we allowed such activities quite willingly. However, we forbade such activities when there were military operations and the problem gradually started with this. The pagodas were built in strategic areas, even during the time of clashes. We had to forbid the construction since there was danger. We were then accused of obstructing the propagation of Buddhism. From then on they gradually organized our members and told them that once they join the vegetarian sect they are not allowed to obey orders from the KNU.

[Tin Htar Swe] However, the splinter group claimed that they left because they were not satisfied with the practice of KNU leaders of giving prominent positions to Christians and not to Buddhists. That is how the majority understands things.

[KNU spokesman] The majority understands as such. However, we do not give prominent positions only to Christians; there are Buddhists here as well. We can give high positions only to those who are educated. We give our positions based on education. We do not discriminate between Buddhists and Christians. It is based on education. Those with capability become leaders. Manh Sha, a member of the central committee, is a Buddhist, but he has a university degree. On account of this, he became the central committee member. There is proof to this.

[Tin Htar Swe] We have the impression that the KNU leaders are more bent on using force, rather than holding peaceful negotiations, in dealing with this matter—for instance, an attack on and burning of the monastery. How do the KNU leaders intend to solve this problem?

[KNU spokesman] We did not attack the monastery. When the clashes first took place they crossed over the creek from there to attack our headquarters. Even then, we did not open fire at the monastery. However, we did fire warning shots at the surrounding areas. They were stationed at the monastery and their continued presence there was going to create problems for us. So, we tried to find a peaceful solution without using weapons. They at first gave the impression of agreement and when they later betrayed us, we had to use weapons.

[Tin Htar Swe] So, how do you think this conflict will end?

[KNU spokesman] Well, we tried our best. They spread rumors about us killing monks. We printed and distributed our publications to counter this. Some commanders

who left with them knew we did not kill. We have not killed any Buddhist or any monk. The truth is that the SLORC took advantage of the conflict and will continue to instigate. The Buddhists in Burma understand this. We cannot help about those who have gone to the side of the SLORC. We shall have to explain to the remaining members so they will understand.

We shall have to continue with the tasks that have to be carried out.

[Tin Htar Swe] Very well. Thank you. [end recording]

Brunei, Malaysia & Singapore

Malaysia

Minister Regrets Singapore Complaint on Imports

BK1501120395 Kuala Lumpur NEW STRAITS TIMES in English 13 Jan 95 p 16

[FBIS Transcribed Text] The Malaysian Government has expressed regret over Singapore's complaint to the World Trade Organisation (WTO) on the decision to require licenses for the import of petrochemical products into the country.

Minister of International Trade and Industry Datuk Rafidah Aziz said Malaysia was disappointed that Singapore had sought a resolution of the issue in WTO despite several explanations given on the issue. WTO is the body formed this year to replace the General Agreement on Tariffs and Trade (GATT) on issues pertaining to global trade.

Singapore claimed that Malaysia's decision to license the import of polypropylene and polyethylene, materials used in the manufacturing of plastic products, was "a quantitative import restriction" which was inconsistent with GATT policies on trade liberalisation.

Its Ministry of Trade and Industry said that all avenues of settlement between the two countries were exhausted and that Singapore had written to Malaysia last year. Discussions between the two trade ministers had also not brought satisfactory results.

"The implementation of licensing requirements for polypropylene and polyethylene is a justifiable measure in accordance with the provisions of WTO," said Rafidah yesterday.

She said the measure was not specifically targeted at Singapore but was applicable to imports of the two chemicals from all sources.

"Furthermore, the import licensing requirement is of a temporary measure," she said adding that the Malaysian Government was prepared to defend the imposition of the move in the WTO.

The implementation of import licensing has not proven to be a barrier to countries exporting the two substances to Malaysia.

From April to November last year, licenses authorising import of 40,348 tonnes of polypropylene and 191,563 tonnes of polyethylene were issued. For the whole of 1993, 26,234 tonnes of polypropylene and 271,951 tonnes of polyethylene were imported.

Rafidah said Malaysian importers also faced a shortage of supply due to strong demand and the tight supply of the chemicals and were not able to source the supplies from overseas, including Singapore.

She was speaking at the launch of the Hour Glass Swiss watches and European jewellery exhibition at the Regent Hotel in Kuala Lumpur yesterday.

In her speech, she said Malaysia was increasingly becoming an important market for timepieces and jewellery and has also begun to develop a base for further development of the clocks, watches, and jewellery industries.

"With the kind of interests within the market and the right supporting infrastructure, such an exhibition would generate sales and interest for foreign manufacturers to consider establishing offshore productions here."

To date, 11 companies are in the production of jewellery in Malaysia, with a total investment of RM [Malaysian ringgit] 49.8 million. Of the amount, 48 percent are foreign investments from Singapore, Japan, and Germany.

The jewellery manufacturing has generated substantial jewellery exports which amounted to RM1.19 billion in 1993.

Between November [1993] and September last year, exports totalled RM901.4 million.

Singapore Deputy Prime Minister Arrives 16 Jan

BK1601070595 Kuala Lumpur Voice of Malaysia in English 0600 GMT 16 Jan 95

[FBIS Transcribed Text] Singapore Deputy Prime Minister Brigadier General Lee Hsien Loong arrived in Malaysia this morning for a three-day official visit to strengthen bilateral relations. He is accompanied by his wife Ho Ching and Foreign Affairs Ministry officials. On hand to receive them at the international airport in Subang were Deputy Prime Minister Datuk Sri Anwar Ibrahim and Foreign Minister Datuk Abdullah Ahmad Badawi. Also present was Deputy Minister in the Prime Minister's Department Raja Ariffin Raja Sulaiman, who is minister in attendance.

Mr. Lee is scheduled to attend a briefing at the Economic Planning Unit in the Prime Minister's Department and

hold bilateral talks with Datuk Sri Anwar today. He will also call on Prime Minister Datuk Sri Dr. Mahathir Mohamed at his office.

Tomorrow, Mr. Lee will give a talk on Singapore and Malaysia prospering together in a dynamic region at the Institute of Public Administration at Bukit Kiara in the capital city. The function will be attended by senior civil servants, academicians, and government officials.

Holds Talks With Counterpart

BK1601120395 Singapore Radio One in English 1100 GMT 16 Jan 95

[FBIS Transcribed Text] Singapore and Johor will form a committee in order to boost private sector confidence in both sides. This was the outcome of today's meeting between Deputy Prime Minister Brigadier General Lee Hsien Loong and his Malaysian counterpart, Datuk Anwar Ibrahim. Brig. Gen. Lee, who is on a three-day visit, also called on Prime Minister Dr. Mahathir Mohamed. Siti Johari files this report from Kuala Lumpur:

[Begin Siti recording] Speaking after the meeting, a Malaysian spokesman announced that both sides had agreed to form a committee which would look into Singapore-Johor [words indistinct]. The Malaysian spokesman quoted Datuk Anwar as saying that the Malaysian Government is not prepared at the moment to move away from its further [word indistinct].

On the subject of the petrochemical dispute between Singapore and Malaysia, both sides agreed that it would not sour relations between the two countries. They agreed that the issue is a small matter and that there are still avenues to resolve it through bilateral discussions.

Siti Johari, ROS [Radio One Singapore] News in Kuala Lumpur. [end recording]

Anwar Ibrahim Hails 'Close' Ties

BK1701120795 Kuala Lumpur BERITA HARIAN in Malay 17 Jan 95 p 2

[FBIS Translated Text] Kuala Lumpur, Monday—Datuk Sri Anwar Ibrahim says close and unique relations between Malaysia and Singapore are the main factor that facilitates efforts to settle any problems that may arise between the two countries.

The deputy prime minister says the two countries have a history of close links and will definitely be able to overcome any obstacles that may arise.

"Of course, we will face problems, but I am confident that such problems will be easily settled thanks to the attention of leaders of the two countries," he said at a reception in honor of Singapore Deputy Prime Minister Lee Hsien Loong.

Also present were Foreign Minister Datuk Abdullah Ahmad Badawi, Deputy International Trade and

Industry Minister Chua Jui Meng, and Deputy Education Minister Datuk Fong Chan Onn.

Anwar said Malaysia and Singapore clearly adopt a pragmatic foreign policy aimed at broadening the scope of trade and economic cooperation between the two countries.

What is clear, he said, is that the two countries are cooperating in fields and sectors that have never been explored before, particularly those involving members of the private sector.

"The current situation exists because the government is encouraging members of the country's private sector to cooperate with Singapore in undertaking giant joint-venture projects, like one in Gelang Patah, Johor.

"Nevertheless, the Singapore Government should look beyond Johor and explore relatively new markets in Kedah and Penang," he said.

The deputy prime minister stated that Lee's visit to the country is very important because it proves his attention to enhancing cooperation between Malaysia and Singapore.

"It is very clear that he is serious about and interested in establishing closer and more intimate cooperation. Accordingly, I would like to thank him for this visit," he said.

In a reciprocal speech, Lee also said that special relations between the two countries are the main factor that helps overcome any problems that may arise.

"Relations between the two countries will be always special. We are cooperating pragmatically and aware that one has an edge that the other does not.

"This awareness helps us to overcome problems that arise from time to time," he said.

Mahathir Receives South African, Japanese Ministers

BK1301142895 Kuala Lumpur RTM Television Network 1 in Malay 1200 GMT 13 Jan 95

[FBIS Translated Text] South African Defense Minister Joe Modise visited the prime minister in his office in the capital this evening. During the meeting, the two leaders exchanged views on bilateral relations and international issues. Mr. Joe Modise is on a personal five-day visit to the country. During the meeting, Mr. Joe Modise expressed his gratitude to the prime minister for his support for South Africa's independence.

Dr. Mahathir also received a courtesy visit from Japanese Finance Minister Masayoshi Takemura. Japanese Ambassador to Malaysia Taizo Takamura was also present during the half-hour meeting. Mr. Takemura is leading an eight-member delegation of senior Japanese officials on a three-day visit.

Mahathir on Plan To Build 'Microsatellites'

BK1301134195 Kuala Lumpur Voice of Malaysia in English 0800 GMT 13 Jan 95

[FBIS Transcribed Text] Malaysia will build and launch two microsatellites before the end of the decade, with the first in July 1997. This was stated by Prime Minister Datuk Sri Dr. Mahathir Mohamed. He said a local company, Magstar Consortium, had been established for this purpose. It comprises public and private sectors. Magstar will be working with the Indian Space Research Organization.

He said this at the launching of a microsatellite program in Kuala Lumpur. Datuk Mahathir said Malaysia will launch MEASAT-1 in December this year and MEASAT-2 in July next year. In addition, the country will build two microsatellites before the end of the decade. All this will firmly position Malaysia among nations that own and operate satellites built to satisfy its specific requirements.

The prime minister hoped that with these projects Malaysia will be one of the countries in the region that would be able to launch its own made-in-Malaysia spacecraft. He said the microsatellite program would take the country a step closer to achieving the ability to design and launch a Malaysian spacecraft.

Taiwan Mission Releases Economic 'Blueprint'

BK1201133695 Kuala Lumpur NEW STRAITS TIMES in English 10 Jan 95 p 21

[FBIS Transcribed Text] Kuala Lumpur, Mon.—Taiwan aims to position itself as an Asia-Pacific regional operations centre to attract companies conducting business in this region to set up their bases on the island.

The Council for Economic Planning and Development stated in its "Blueprint for Future Economic Development" that it would develop the island's economy into the 21st century so as to achieve this target. The blueprint was released in Kuala Lumpur yesterday by the Taipei Economic and Cultural Office in Malaysia.

The main elements of this programme would include the further liberalising of its economy to allow the free flow of investments and information across its borders, with plans to reduce its import tariffs immediately upon it becoming a member of the World Trade Organisation.

These steps, together with Taiwan's strategic location vis-a-vis East Asia, is expected to allow the island to act as an intermediate link between developed and developing countries in the region.

Under the three-phase programme extending into the next century, six types of operations centres will be developed to augment the key strengths of the Taiwanese economy.

To become a manufacturing centre, Taiwan will feature intelligent science parks and technology islands to

encourage companies to choose the island as a base for the production and marketing of high value-added products for East Asia.

Sea and air transportation centres will also be set up to complement the manufacturing activities, as well as making Taiwan a transshipment and shipment hub for goods marketed within the region.

Kaohsiung Port will be the main seaport, while Taichung and Keelung will act as supplementary seaports. For air transport, a new airport is in the pipeline and the current CKS [Chiang Kai-shek] International Airport will be transformed into an integrated "air city."

In its aim to become a financial centre, Taiwan will create a distinct offshore market for banking and foreign currency call loans and gradually open its domestic market.

The bond and equities market will be expanded to conform to global norms and a derivatives market will be developed.

The telecommunications infrastructure will be liberalised and upgraded, with plans to allow a direct communication link with China within 10 years.

Taiwan also aims to become the media centre for the production and supply of Mandarin television programmes and movies.

Ministry Announces New Armed Forces Chief

BK1401133595 Kuala Lumpur NEW STRAITS TIMES in English 13 Jan 95 p 10

[FBIS Transcribed Text] Kuala Lumpur, Thurs.—The Defence Ministry today announced the appointment of Army commander Jen [General] Datuk Ismail Omar as the new Armed Forces chief taking over from Jen Tan Sri Borhan Ahmad who retires on February 2. Its Minister, Datuk Sri Najib Tun Razak, also said Ismail's post would be taken over by his deputy, Lt Jen [Lieutenant General] Datuk Che Md [Mohamed] Noor Mat Arshad, who will be promoted to general. He said both appointments would be effective February 2, adding that Borhan was scheduled to hand over his baton of command to Ismail at a ceremony at the Ministry on January 30.

Najib said the Armed Forces Council, the highest decision-making body governing the policies and operations of the Armed Forces, had approved the appointments.

"The Yang Dipertuan Agung [Paramount Ruler] Tuanku Ja'afar, who is also the Supreme Commander of the Armed Forces, has also given his consent," he told a Press conference at Wisma Pertahanan [Defense Ministry] in Jalan Padang Tembak here.

Borhan 56, was scheduled to leave last month but he was asked to stay on until early next month to give time for the council to decide on his successor.

Najib declined to name who would succeed Che Md Noor, saying he would announce the successor and several other senior military officers at a later date.

The NEW STRAITS TIMES had reported on December 21 that up to 12 generals would be involved in an Armed Forces reshuffle following the retirement of Borhan.

It stated that among the 12, Ismail was tipped to be the new Armed Forces chief and Che Md Noor the new Army commander, while among those being considered to replace Che Md Noor are Kuching-based First Malaysian Infantry Division commander Mej Jen [Major General] Datuk Alias Lafti Hussain, Kuantan-based Fourth Malaysian Infantry Division commander Mej Jen Datuk Ali Alwi and Assistant Chief of Staff (Operations and Training) at the Armed Forces Headquarters Mej Jen Datuk Jailani Asmawi.

Najib said the appointment of Ismail and Che Md Noor reflected their potential in modernising the Armed Forces which is being transformed into a conventional warfare force.

On behalf of the Government, he thanked Borhan for being instrumental in the rapid modernisation of the Armed Forces.

Borhan, the first Armed Forces chief from the Special Services Regiment, will retire after 37 years of service. He was promoted to his present post on February 1 last year.

Ismail, 53, was born in Negeri Sembilan on April 29, 1941, but was raised in Segamat, Johor. He became Army commander on February 1 last year.

Upon graduation from the Royal Military Academy in Sandhurst, United Kingdom, Ismail was commissioned as a second-lieutenant into the Second Battalion Royal Malay Regiment (RMR) in December 1961.

He has served as commander of the 12th Battalion RMR, the Sixth Malaysian Infantry Brigade and the Third Malaysian Infantry Division.

His other appointments included Special Staff Officer to the Armed Forces chief, director of training at the Department of Army and Military Adviser in Canberra, Australia.

In April 1992, Ismail was appointed Armed Forces Headquarters chief of staff with the rank of lieutenant general. There he was in charge of overseeing the success of Ekseis Pahlawan [Heroes Exercise] involving some 12,000 troops from the triservices and the deployment of Malaysian troops in United Nations peacekeeping missions.

Ismail is married to Datin Azizah Abdul Aziz and they have two sons and two daughters.

Che Md Noor, born on February 6, 1943, hails from Perlis and was commissioned into the Third Battalion

RMR on December 8, 1963, with the rank of second-lieutenant. He was appointed Army deputy chief on March 2 last year.

Che Md Noor has served as Staff Officer at the Mindef [Ministry of Defense] Training Planning Division, Special Staff Officer to the Armed Forces chief commanding officer of the 19th Battalion RMR, Military Assistant to the Army chief, Joint Services Staff Division Secretariat chief, Armed Forces Strategic Planning Division chief Assistant Chief of Staff for Defence Planning, Sixth Infantry Brigade commander and Third Infantry Division commander.

Che Md Noor holds a Master's degree in International Relations and Strategic Studies from Lancaster University, England.

Singapore

Opposition to Malaysian Import Restrictions

BK1301161095 Singapore Radio One in English 1400 GMT 13 Jan 95

[FBIS Transcribed Text] Singapore has reiterated its stand towards Malaysia's nontariff import restrictions on two petrochemical products are against rules set by the World Trade Organization [WTO]. Singapore's Ministry of Trade and Industry said according to expert advice it received, such restrictions are not justifiable. It said Singapore's export of propyphylene and polyethylene have fallen by 44 percent since the approved permit scheme introduced by Malaysia last April. Malaysia's Trade Minister Rafidah Aziz has said the restriction was justifiable in keeping with WTO rules. She also said the restriction was temporary and was not targeted at Singapore but applied to all countries. Singapore is pursuing the issue under the WTO dispute settlement process.

Cambodia

American Woman, Guide Killed in Siem Reap

BK1501115895 Hong Kong AFP in English 1148 GMT 15 Jan 95

[FBIS Transcribed Text] PHNOM PENH, Jan 15 (AFP)—An American woman and her Cambodian tour guide were killed Sunday when their vehicle was hit by gunfire in Cambodia's northwest, the information minister said.

The woman's husband was also injured when the shooting occurred at about 10:30 a.m. (0300 GMT), 20 kilometres (15 miles north) of the provincial town of Siem Reap on the road to Banteay Srei temple, Ieng Muli told AFP.

"He was evacuated to Phnom Penh for medical care and his condition is described as stable," Ieng Muli said.

Siem Reap is home to the 12th century Angkor Wat temple complex, Cambodia's main tourist attraction. But Khmer Rouge violence and rural banditry has kept tourists away from the country. Government officials said they did not know the identity of the attackers and whether they were Khmer Rouge or rural bandits. On Sunday, a government amnesty for the Khmer Rouge ended and officials have warned all those who remain with the guerrillas of severe penalties.

AKP Cites AFP on Killing

BK1601054595 Phnom Penh AKP in French 0359 GMT 16 Jan 95

[FBIS Translated Text] Phnom Penh 16 Jan (AKP)—An American woman and her Cambodian guide were killed on Sunday [15 January] when their vehicle was picked as a target in northwest Cambodia, announced Information Minister Ieng Muli.

The husband of the American woman was wounded during the attack, which took place around 1030 (0300 GMT) 20 km from Siem Reap Town on the road to Banteay Srei temple, the minister specified to AFP.

A senior army officer of Siem Reap Province told AFP that, according to the preliminary investigation, the incident was the work of bandits and not of the Khmer Rouge "because they [the Khmer Rouge] are not present in this zone."

"I think that this incident resulted from an internal problem opposing the security forces in the region and the perpetrators of a holdup or a robbery which turned wrong," said the officer who requested anonymity.

For their part, officials of the Cambodian Government said they did not know about the origin of the attack.

"The circumstances of the accident are not clear but the Cambodian Government has given assurance that a thorough investigation will be conducted in order to bring the criminals to court," affirmed Dave Miller, U.S. diplomat in Phnom Penh. The wounded American was brought to Phnom Penh for treatment and "his condition is said to be stable," added Ieng Muli.

The U.S. Embassy in Phnom Penh said that it cannot immediately reveal the identities of the victim and her husband because of U.S. laws on privacy.

It is very simple to get automatic weapons in Cambodia and it is not rare to see clashes between bandits and well-armed policemen or soldiers.

In Siem Reap Province is the Angkor Wat temple, dated from the 12th century and which is a main tourist site; Banteay Srei is 26 km from Angkor Wat. The Cambodian Government has tried to minimize the impact of the incident for fear of repercussion on tourism, which is already affected by Khmer Rouge attacks and the murders of many tourists last year.

Minister Doubts KR Responsible

BK1501134495 Hong Kong AFP in English 1323 GMT
15 Jan 95

[FBIS Transcribed Text] PHNOM PENH, Jan 15 (AFP)—An American woman and her Cambodian tour guide were killed Sunday when their vehicle was hit by gunfire in Cambodia's northwest, the information minister said. The woman's husband, also an American, was injured when the shooting occurred at about 10:30 a.m. (0330 GMT), 20 kilometres (15 miles) north of the provincial town of Siem Reap on the road to Banteay Srei temple, Ieng Muli told AFP.

"He was evacuated to Phnom Penh for medical care and his condition is described as stable," the minister said, adding that the two Americans were visiting the country when they were caught in "a shooting incident."

The United States embassy in Phnom Penh said it could not immediately identify the woman and her husband because of US privacy laws.

"The circumstances of the incident are unclear at this time, but the Cambodian government has given every assurance it will move quickly to thoroughly investigate and bring the criminals to justice," US diplomat Dave Miller told AFP.

Government officials said they did not know the identity of the attackers nor whether they were Khmer Rouge guerrillas, who control large pockets of the country, or rural bandits.

But a senior military official in northwestern Siem Reap province told AFP by phone that after initial investigations he thought the attack was banditry not involving the Khmer Rouge.

"The investigation is still going on, but I don't think it was the Khmer Rouge because there are no Khmer Rouge in this area," said the official on condition of anonymity.

Siem Reap is home to the 12th century Angkor Wat temple complex, Cambodia's main tourist attraction. But Khmer Rouge violence and the killing of several Western tourists last year, as well as rural banditry, has kept tourists away from the country.

Automatic weapons are easy to buy in Cambodia and banditry is rife in many areas of the countryside, often involving unpaid, undisciplined but well-armed soldiers and policemen.

"I think the incident is an internal problem, possibly it involved some of [word indistinct] security forces in the area in a hold-up or extortion that went wrong," the senior military official from Siem Reap said.

Government officials in Phnom Penh were trying to play down the severity of the incident for the sake of the country's already troubled tourist industry, which diplomats said will be further set back by Sunday's incident.

Governor Blames 'Armed Robbers'

BK1601114995 Hong Kong AFP in English 1128 GMT
16 Jan 95

[FBIS Transcribed Text] Phnom Penh, Jan 16 (AFP)—Armed robbers killed the American tourist and her Cambodian guide attacked as they went to a Cambodian tourist attraction in the northwest of the country, the provincial governor said Monday.

"According to the police investigation team they have reported the attack involved around seven or eight armed robbers and not Khmer Rouge guerrillas," governor of Siem Reap, Toan Chay, told AFP.

"After they killed the American woman and her guide they looted the car," he said.

The two were killed Sunday morning on the road to Banteay Srei temple, around 20 kilometres (15 miles) north of Siem Reap provincial town.

Police investigating the incident said the car carrying the Americans was attacked while in a four car convoy led by a police escort.

The first three vehicles sped off after they came under attack but the fourth car carrying the Americans was unable to get away, said deputy central police officer Uk Kimlek speaking by phone from Siem Reap.

"The bandits fired a B-40 rocket and then threw a grenade killing the American woman and tour guide," he told AFP.

"Her husband was injured but the driver of the car and the police guard in the car ran away," he said, adding the injured man was picked up by a local passing by who took him back to Siem Reap town.

Tourism Ministry Rejects Responsibility

BK1601074195 Hong Kong AFP in English 0722 GMT
16 Jan 95

[FBIS Transcribed Excerpt] Phnom Penh, Jan 16 (AFP)—Cambodia's Tourism Ministry on Monday rejected responsibility for the deaths of an American and her Cambodian guide near a major tourist attraction saying it had warned against going to the area.

"The Ministry of Tourism released a statement two months ago telling the governor of Siem Reap and travel agencies not to visit Banteay Srei temple until we have improved security," Secretary of State for Tourism Thong Khon told AFP.

The woman and the guide were killed Sunday morning on the road to Banteay Srei, around 20 kilometers (15 miles) north of Siem Reap town in the northern Siem Reap province. The temple is part of the world famous Angkor Wat temple complex.

"We told travel agencies but they did not listen and we are investigating which tour group organised that trip, it's their responsibility," he said.

But this advice contradicts remarks made by the Siem Reap provincial governor who said recently tourists could now go Banteay Srei because security had been improved.

The woman's husband, also an American, was wounded in the shooting, according to the Information Minister Ieng Muli.

Details of the tragedy are still murky but a senior police official in Phnom Penh said the visit to Banteay Srei was escorted by policemen who were acting illegally.

"The Interior Ministry did not allow them to take tourists there since security is not yet good but the private travel agency bribed local police who illegally went with them," the police official said on condition of anonymity.

Officials in Siem Reap say the investigation was proceeding but they could not say yet whether the attackers were bandits, Khmer Rouge guerrillas or some other assailant. [passage omitted]

"We did not need this problem because it will affect tourism and we are trying to promote the country," a Tourism Ministry official said.

"We are very sorry about this incident and will take legal action against the persons who conducted that tour," he said.

Travel To Banteay Srei Temple Banned

BK1601141295 Phnom Penh National Radio of Cambodia Network in Cambodian 1300 GMT 16 Jan 95

[FBIS Translated Text] The Tourism Ministry issued the following statement on 16 January relating to the incident in Siem Reap Province on 15 January in which an American citizen and a Cambodian citizen died and another American citizen was wounded:

1. This is a most unfortunate event for which the Royal Government would like to express profound regret. The Royal Government would like to share its condolences with the families of the deceased.
2. The Tourism Ministry and the administration in Siem Reap Province have never allowed visits to Banteay Srei Temple, although some people have made the trip without authorization.
3. The provincial administration will not allow any visits to Banteay Srei Temple under any circumstances until further notice. [Words indistinct] provincial administration can continue to ensure safety for [words indistinct] who travel to Siem Reap provincial town and the Angkor Wat area.

Phnom Penh, 16 January 1995

KR Radio: Two U.S. 'Military Experts' Killed

BK1601130995 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 1200 GMT 16 Jan 95

[FBIS Translated Text] At 0930 on the morning of 16 January, our national Army and people in Banteay Srei District [Siem Reap Province] used mines to ambush and completely destroy a vehicle containing U.S. military experts south of Banteay Srei Temple. Two U.S. military experts were killed and two two-headed puppet officers were wounded. At 1800 the same evening, another small car went over one of our mines south of Banteay Srei Temple. The vehicle was completely destroyed.

Ranariddh, Delegation Leave for Visit to SRV

BK1601065495 Phnom Penh AKP in French 0405 GMT 16 Jan 95

[FBIS Translated Text] Phnom Penh 16 Jan (AKP)—Prince Krompreah Norodom Ranariddh, first prime minister of the Royal Government, left Sunday for an official 15-17 January visit to the SRV.

Accompanied by many high-ranking officials, including Ing Kiet, deputy prime minister and minister of public works; and Ing Huot, minister of foreign affairs and international cooperation; the prince will meet with principal Vietnamese leaders, particularly his counterpart Vo Van Kiet.

According to Cambodian official sources, the Cambodian leader will discuss with the Vietnamese side the delicate issues of immigration, the border line, and transit of goods. The Cambodian National Assembly last August adopted a law on immigration which, according to the Vietnamese Government and some human rights associations, could result in the mass expulsion of Vietnamese nationals from Cambodia, including those who have lived in the country for generations.

The cooperation in the [words indistinct] sector will also be discussed during this visit, said Ung Teaseam, under state secretary for information.

The visit to Vietnam by the prince coincides with the deadline for amnesty offered by the Royal Government to the Khmer Rouge. The law adopted by the National Assembly outlawing the Khmer Rouge took effect yesterday.

Co-Defense Minister Meets Russian Military Team

BK1301133295 Phnom Penh National Radio of Cambodia Network in Cambodian 0500 GMT 13 Jan 95

[FBIS Translated Text] On the morning of 12 January at the office of the Ministry of National Defense, talks on

military cooperation were held with a high-ranking Russian Federation military delegation. The Cambodian side were represented at the talks by His Excellency [H.E.] Tea Chamrat, co-defense minister; H.E. Kruoch Yoeum, state secretary of the National Defense Ministry; H.E. Pan Thai, deputy chief of staff of the Khmer Royal Armed Forces [KRAF]; and many other generals.

Speaking on the occasion, H.E. General First Deputy Chief of Staff of the Russian Federation army recalled the army's history and its material and qualitative development, being an important core force in defending the country's border in close cooperation with the Security and Interior Ministries. He also talked about the long-standing ties between the two countries, which continues to this day to further strengthen the ties of solidarity and friendship aimed at finding peace for each country and motherland.

Replying, H.E. Tea Chamrat stressed that on behalf of the National Defense Ministry, the KRAF General Staff would like to extend the warmest welcome to the high-ranking delegation for its visit that will focus on military cooperation to rehabilitate and improve the KRAF. At the same time, H.E. Co-Defense Minister also talked about the military, political, security, and social situation of the country that has been secured almost nationwide. The situation is improving steadily with the KRAF playing a part.

Ranariddh, Hun Sen Receive Delegation

BK1401152795 Phnom Penh AKP in French 0404 GMT 14 Jan 95

[FBIS Translated Text] Phnom Penh 14 Jan (AKP)—Prince Krompreah Norodom Ranariddh and Samdech Hun Sen, first and second prime ministers of the Royal Government, received Russian General Vladimir Churbenko, deputy chief of staff of the Russian Federation's Army, in Phnom Penh on 13 January. The objective of the visit by the Russian military delegation is to promote cooperation between the two countries.

"The Royal Government wants to strengthen the relations of friendship and solidarity with Russia," affirmed Prince Ranariddh. The latter expressed gratitude to Russia for its support for the Cambodian people in the 1960's during the Sangkum Reas Niyum era.

"Russia remains and will remain a good friend of the Cambodian people," said General Churbenko and he pledged to continue its support to Cambodia.

Earlier the Russian military delegation met with Tea Chamrat, co-defense minister. "The Khmer Royal Armed Forces [KRAF] are carrying out reforms," affirmed Tea Chamrat. He praised the union of forces from political parties following the general elections. "These forces are capable of maintaining security for the people, following the government's policy, and abiding by democracy."

On the same day, Churbenko also held talks with General Pol Saroeun, KRAF deputy chief of staff.

Ranariddh on Wish To Buy Russian Road Equipment

BK1401151395 Phnom Penh AKP in French 0402 GMT 14 Jan 95

[FBIS Translated Text] Phnom Penh 14 Jan (AKP)—Prince Krompreah Norodom Ranariddh, first prime minister of the Royal Government, received Vadim Serafimov, ambassador extraordinary and plenipotentiary of the Russian Federation to Cambodia, in Phnom Penh on 11 January.

The Cambodian leader informed the Russian diplomat of the situation in the country and the objectives set by the Royal Government for 1995. Investments should not be just in areas around Phnom Penh, but also in the provinces. Prince Ranariddh added that the government has requested provincial authorities to submit their projects to the Cambodian Development Council so the latter can select the sectors that will benefit from investment in each province.

The prince krompreah invited Russia to invest in Cambodia. He also expressed the Royal Government's intention to buy Russian equipment for road construction and repair.

The co-prime minister thinks that peace will be established in the country soon, the massive Khmer Rouge defection and Thailand's change of policy toward Cambodian guerrillas being major factors.

Government Suspends Paper for Insulting Premiers

BK1401132095 Hong Kong AFP in English 1217 GMT 14 Jan 95

[FBIS Transcribed Text] PHNOM PENH, Jan 14 (AFP)—Cambodian authorities suspended a local newspaper Saturday and vowed to have it closed for good after it published a series of articles insulting the co-premiers, the deputy information minister said.

"We suspended it first, then we will send it to court on Monday to be fully closed down," Khieu Kanharit told AFP, referring to the Samleng Yuvachon Khmer (The Voice of Khmer Youth) newspaper.

Over the past week, the paper's criticism of co-premiers Prince Norodom Ranariddh and Hun Sen has increased dramatically.

The paper ran an article, with no byline, last Sunday accusing Hun Sen of setting up a "murder unit" to be ready to "execute" outspoken former finance minister Sam Rangsai.

In Thursday's edition, the paper attacked Prince Ranariddh for being "naive" and ignoring the views of his royalist FUNCINPEC [National United Front for an

Independent, Neutral, Peaceful and Cooperative Cambodia] party members but instead following the wishes of Hun Sen's Cambodian People's Party (CPP), their main partner in the ruling coalition.

"The paper has discredited the government and created party conflict in the society," Kanharit said.

Samleng Yuvachon Khmer has been in trouble with the government in the past about its critical articles, as have several other local newspapers.

Non Chan, news editor of Samleng Yuvachon Khmer, was gunned down in central Phnom Penh on September 7 in what police described as either "a personal or political killing."

The murderers have not yet been brought to justice. Cambodian journalists believe Non Chan was killed for articles criticising the government.

A second local journalist, Chan Dara, was killed in December and his colleagues say he was murdered because he reported on official participation in illegal logging.

Freedom of the press is new in Cambodia and began under the protective umbrella of the multi-million dollar UN operation here which soon led to an explosion in the number of papers.

But most of the country's 30 or so newspapers—staffed mainly with Cambodian journalists with little or no training in journalism—are filled with political or racial opinions rather than fact.

These opinions are usually written on the orders of powerful Cambodian politician who pay the writers or else fund the paper's printing costs, say local journalists.

Pin Samkhon, president of the Khmer Journalists Association, told AFP he had not yet seen the government's suspension order against the paper but added he was not surprised it was in hot water with the authorities.

"I read those articles and I already said before they would have problems with the government because nobody can know if the articles are correct or not," Pin Samkhon said.

To try and curb the unruly media, the government is discussing a stiff press law which would make it a criminal offence to "publish anything which humiliates or degrades national organs or public authorities."

National and international human rights and journalist's associations have united in criticising the draft law, which Amnesty International describes as falling "short of international human rights standards."

Cambodian King Norodom Sihanouk, who recently returned to the country after cancer treatment in Beijing, has also called for a softening of the draft law.

"I wish in this law there will not be anything that contradicts the Universal Declaration of Human Rights and conventions on press and freedom of expression," the King said.

Cambodian government leaders have made contradictory remarks about whether they will soften the law before it gets passed by the national assembly, but journalists fear the strict provisions will stay and the law will be used to clamp down on the media.

"Someone told me the draft law will be passed in February but another said the government will wait until the King leaves so the government can pressure the MPs," Pin Samkhon said.

King Sihanouk said he will leave for more medical treatment in three and a half months time.

Suspension Order Withdrawn

BK1701150595 Hong Kong AFP in English 1212 GMT 17 Jan 95

[FBIS Transcribed Text] Phnom Penh, Jan 17 (AFP)—Cambodian authorities have withdrawn a suspension order on two local newspapers but instead have filed civil defamation charges, the information ministry said Tuesday.

"The action followed the publication of articles about the First and Second prime ministers which were deemed to be defamatory," the ministry release said.

On conviction there is a "fine of 300,000 (120 US dollars) to three million riel or imprisonment of three to six months," it said.

The defamation suit cancels Saturday's government decree to suspend Samleng Yuveakchon Khmer (The Voice of Khmer Youth) newspaper. A similar order was later given to Sereipheap Thmei (New Liberty News) newspaper.

Over the past week both papers' have dramatically increased their criticism of co-premiers Prince Norodom Ranariddh and Hun Sen.

In Thursday's edition, Samleng Yuveakchon Khmer attacked Prince Ranariddh for being "naive" and ignoring the views of his royalist FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] party members but instead following the orders of Hun Sen's Cambodian People's Party (CPP), their main partner in the ruling coalition.

The government says it wants the defamation action to "encourage these and other newspapers to be more professional in their reporting."

But the manager of Samleng Yuveakchon Khmer newspaper said he stood by his paper's recent articles and would explain to the court.

"My newspaper doesn't defame because we write when we have evidence," Chan Ratana told AFP, adding that he was also unable to pay any fine if found guilty.

Chan became manager of the paper after last September's killing of Samleng Yuveakchon Khmer's news editor Non Chan. The police described this incident as either "a personal or political killing."

The murderers have not been found. Cambodian journalists believe Non Chan was killed for articles criticizing the government.

A second local journalist, Chan Dara, was killed in December and his colleagues say he was murdered because he reported on official participation in illegal logging.

Freedom of the press is a new concept in Cambodia brought in by the multi-million dollar United Nations operation to oversee elections in 1993.

And most of the country's 30 or so newspapers, staffed mainly with untrained Cambodian journalists, are filled with political or racial opinions rather than fact.

Some international and non-governmental organisations have recently begun training programs for local Cambodian journalists to try and improve standards of reporting but Chan said more training was needed.

To try to curb the unruly media, the government is discussing a stiff press law which would make it a criminal offence to "publish anything which humiliates or degrades national organs or public authorities."

National and international human rights organisations have united in criticising the draft law and Cambodian King Norodom Sihanouk has also called for it to be softened.

The draft law is currently being "assessed by the National Assembly's Commission on Foreign Affairs and Information," the ministry statement said Tuesday.

It will be debated within the next few months but journalists fear its strict provisions will stay and the law will be used to clamp down on the media.

"I will continue my job as a journalist. I am afraid but I have to encourage myself to see democracy in Cambodia," Chan Ratana said.

National Television Launches French News Program

BK1601065295 Hong Kong AFP in English 0606 GMT 16 Jan 95

[FBIS Transcribed Text] Phnom Penh, Jan 16 (AFP)—Cambodia's national television channel, TVK, is launching a thrice-weekly news programme in French, in cooperation with the Canal France International (CFI) television company, which supplied the hardware.

"The programme aims to project a positive image of Cambodia," French journalist Catherine Fouillet, who is in charge of the programming, told AFP.

The ten-minute capsule, to be shown for the first time Monday evening, will present national and international news as well as spots on the economy and tourism, Fouillet said. A similar programme was launched in Vietnam in July 1993.

KR Commentary Threatens Australians With Beheading

BK1301160695 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 1200 GMT 13 Jan 95

[Unattributed commentary: "Why Are You Panicking. You Long-Nosed Australians, Ringleaders of the War To Kill Cambodia? You Will Not Escape From the Web of the Cambodian People Without Having Your Heads Cut Off"]

[FBIS Translated Text] This is the painful cry of people from all walks of life in Phnom Penh who want Cambodia to have peace and national reconciliation. People from all walks of life in Phnom Penh are telling the Australians that even hundreds of additional layers of barbed wire spread across roads and travel precautions cannot protect the lives of the warlord Australians.

The Cambodian people will look for opportunities to cut off the heads of Australians. You Australians also know that Cambodians throughout the country—except for a handful of traitorous two-headed ringleaders—want Cambodia to have peace and national reconciliation. You Australian warlords, however, have come to collaborate with communist Vietnam and the two-headed government to fuel the communist Vietnamese war to kill Cambodia and to work with the traitorous two-headed government to allow Vietnamese nationals to flow into Cambodia at will. Your political activities go against the will of Cambodians and very seriously offend Cambodians.

The people ask: How can Cambodians be at peace with the warlord Australians now that things have come this far? Cambodians cannot be calm with you. If you want to live, do business, and have a good and long-lasting friendship with the Cambodian people, you Australians should abandon your outdated policies; namely, stop interfering in Cambodia's internal affairs and stop siding with and providing military assistance to the two-headed government. Only when you go along with Cambodia's desire for peace and national reconciliation will the Cambodian people forgive and let the warlord Australians live.

Our radio received this report from Phnom Penh on 8 January 1995.

PGNUNS Spokesman Supports Call for End to War

BK1301133795 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 1200 GMT 12 Jan 95

[Communique issued by the spokesman of the Provisional Government of National Union and National Salvation on 11 January; place not given]

[FBIS Translated Text] 1. The fraternal students, pupils, intellectuals, civil servants, personages, and masses in Phnom Penh, like our entire nation and people both inside and outside the country, have repeatedly demanded genuine national reconciliation and peace and an end to the war so that they will have time to work and earn their living and avoid starving to death in the current situation, as acute starvation threatens all our people.

2. Instead, the two-headed government has displayed its bloodstained fangs to threaten the fraternal masses and personages in Phnom Penh that it will continue using the army and police to crack down on anyone demanding an end to the war and calling for genuine national reconciliation and peace.

3. The two-headed government has done this at the instigation of their masters—the communist Vietnamese and the warmongers who are carrying on the policy and strategy of annexing Cambodia and who are scrambling to suck the blood and gnaw the bone of the nation and people. The two-headed government is actually a communist Vietnam-dominated administration and is extremely fascist and dictatorial. Actually, the communist Vietnamese administration is completely similar to the so-called People's Republic of Cambodia and the then State of Cambodia.

4. This act of the two-headed government is a part of the implementation of its fascist law to arrest, detain, torture, massacre, assassinate, and silence the fraternal students, pupils, intellectuals, civil servants, journalists, personages, and masses in Phnom Penh.

5. This act of the two-headed government clearly shows that it is alarmed by the anger of the masses in Phnom Penh and nationwide. In fact, the two-headed government has plunged into dire straits, due to the valiant struggle of our entire nation and people in the countryside, in Phnom Penh, and abroad.

6. The Provisional Government of National Union and National Salvation [PGNUNS], like our entire nation and people, totally and fully supports the fraternal students, pupils, intellectuals, civil servants, personages, and masses in Phnom Penh for their correct demand for genuine national reconciliation and peace and an end to the war. This is the only way our people will be able to work to earn their living and avoid starving to death.

11 January 1995

The spokesman of the PGNUNS

Indonesia**East Timor Police Chief Says 28 To Stand Trial**

BK1601061595 Hong Kong AFP in English 0549 GMT 16 Jan 95

[FBIS Transcribed Text] Jakarta, Jan 16 (AFP)—At least 28 people will stand trial in coming weeks following two separate incidents in the former Portuguese colony of East Timor, a senior police officer said Monday.

"As a result of the Baucau incident, 12 will go to court for purely criminal actions," the East Timor police chief, Colonel Andreas Sugianto, told AFP by telephone from the capital Dili.

Another 16 will stand trial for taking part in a pro-independence demonstration at Universitas Timor Timur (University of East Timor) on January 9, Sugianto said.

Eight of the 24 people initially arrested in the university protest, designed to coincide with the United Nations sponsored talks in Geneva on the future of the disputed enclave, have been released, he said.

In the Baucau incident, a native Timorese was stabbed to death by an Indonesian Buginese trader on New Year's Day, sparking angry local youths in the town 115 kilometres (71 miles) east of Dili to riot and destroy 95 stalls in two markets which were predominantly owned by the Buginese. The knife attacker also later died of wounds.

Security forces admitted shooting one person while attempting to control the subsequent riot in Baucau, but independent sources said five died, with three shot dead.

"There is the possibility that there will be more accused, but this depends on the investigation," Sugianto said, referring to both incidents.

The UN is attempting to find an internationally acceptable solution to the status of East Timor, as it still does not recognise Indonesia's sovereignty over the former Portuguese enclave. Indonesia invaded in 1975 and unilaterally declared East Timor its 27th province the following year.

Timor Governor Urges 'Disloyal' Workers To Quit

BK1701115495 Jakarta ANTARA in Indonesian 1826 GMT 16 Jan 95

[FBIS Translated Excerpt] East Timor Governor Abilio Jose Osorio Soares has reminded members of the civil service corps that if they still have doubts about the objectives of the national struggle, or if they are disloyal to the unitary Republic of Indonesia, it would be better for them to step down from the ranks of the government authorities.

Opening the third coordinated meeting of the provincial civil service corps in Dili on Monday, Abilio said this is because the quality and discipline of the members of the civil service corps is reflected in their awareness, dedication, loyalty, and sincerity in struggling for the corps, country, and people. As a force for development and the instrument of the new order, members of the civil service corps should know, understand, and be able to comprehend the Pancasila state ideology and the 1945 Constitution, he added. [passage omitted]

According to the governor, the development program implemented in the province has brought much change and progress in the 19 years since integration with Indonesia. The achievements have been widely enjoyed by the local people. He said: "Essentially, the development program implemented in the province has brought dynamic change to society." [passage omitted]

Six Fretilin 'Terrorists' Shot Dead 12 Jan

BK1301142295 Jakarta ANTARA in Indonesian 1056 GMT 13 Jan 95

[FBIS Translated Text] Dili, 13 Jan (ANTARA)—Six terrorists of the Conis Santana Group of the Fretilin [Revolutionary Front for an Independent East Timor] were shot dead by the Saka Security Team [words indistinct] in Hatolia Subdistrict, Ermera District about 83 kilometers to the west of Dili.

The six terrorists were shot dead on Thursday [12 January] following a 15-minute shoot out. ANTARA received the report from Infantry Major Leiden L. Simbolon, commander of the 164 Wiradharma Military Area Command Information Unit, in Dili.

Maj. Simbolon said the six terrorists were separated from their group during the shoot out and they could not escape because they were trapped in a cliff. However, they continued to resist the security team. According to Simbolon, another group of terrorists escaped with six weapons belonging to the six dead terrorists.

The Saka Security Team and local villagers are conducting a mopping-up operation against the Fretilin remnants who have been steadily weakened by a lack of logistics and weapons. He said further that the security forces first appealed to them to surrender and promised to ensure their safety and pardon them. [passage indistinct]

Simbolon said only 180 terrorists holding 103 pieces of various arms remain in the province.

Fretilin Spokesman Appeals for Talks Inclusion

LD1301172895 Lisbon Radio Renascenca in Portuguese to Europe 1600 GMT 13 Jan 95

[FBIS Translated Text] Six members of Fretilin [Revolutionary Front for an Independent East Timor] were killed by the Indonesian Army as they refused to surrender. According to an Indonesian source, the incident

occurred 80 kms from Dili, the capital of East Timor. Nine members of the guerrillas were caught as they were separated from the main group during a clash between the guerrillas and the Indonesian Army; 29 guerrillas managed to escape.

In the meantime, a Fretilin spokesman in Portugal appealed for common sense because the Portuguese Ministry for Foreign Affairs has not yet contacted his movement concerning the agreed inclusion of East Timorese in the talks between Portugal and Indonesia. Fretilin claims that, in practice, the Ministry has only contacted Ramos Horta, whom they claim does not represent the East Timorese people and only represents a particular line of thought.

East Timor Resistance Reports Army Buildup

LD1601132195 Lisbon Radio Renascenca in Portuguese to Europe 1200 GMT 16 Jan 95

[FBIS Translated Text] UDT [East Timorese Democratic Union] leader Domingos Oliveira has been in contact with members of the Timorese resistance, who have reported that the situation in East Timor is unbearable. Indonesia is reinforcing its military presence in Dili following the latest incidents in the territory during which one person was killed. Oliveira does not have the exact figures concerning the military buildup:

[Begin Oliveira recording] We do not know the exact number of battalions belonging to the Indonesian Army that arrived here recently. The truth is that this is exactly the opposite of what Ali Alatas promised Dr. Butrus-Ghali during the recent talks with Portuguese Foreign Minister Durao Barroso. East Timor still has a large military presence that continues to oppress, repress, arrest, torture, and kill the East Timorese. [end recording]

There is a reinforcement of the Indonesian military presence in East Timor, which is persecuting the pro-independence Timorese young people:

[Begin Oliveira recording] The East Timorese, particularly the young people, are being hunted as if they were rabbits. These are their own words: Our young people are being hunted like rabbits; they cannot leave home because they will be immediately arrested by the police and the Indonesian military. [end recording]

Oliveira has also been handed a message by the guerrillas, who ask Portugal not to forget the East Timorese people's cause.

Minister Dismisses Talk of Rupiah Devaluation

BK1401150795 Jakarta Radio Republik Indonesia Network in Indonesian 1200 GMT 14 Jan 95

[FBIS Translated Text] Finance Minister Mar'ie Muhammad has said that Indonesia's economy is stable. Therefore, the rupiah devaluation issue should be put aside and there is no reason to worry about it.

The minister said this at a seminar on the 1995-96 state budget in Jakarta today. Even though Indonesia's economy is showing signs of overheating, in general it is stable. The minister said the relevant monetary authorities will always ensure the stability of the macro economy and boost growth in line with the projected target. He admitted that an overheated economy will cause the government to put pressure on bank credit expansion. However, he gave his assurance this will not affect economic growth. At present, the government will curb inflation so that it will not reach double-digit figures. The current account deficit will also be monitored so that it will not reach two percent of the gross domestic product.

Minister: No Need To Reschedule Foreign Debt

*BK1301143495 Jakarta KOMPAS in Indonesian
13 Jan 95 p 2*

[FBIS Translated Excerpt] Jakarta, KOMPAS—Saleh Afiff, coordinating minister for finance, economy, and development, has said the government thinks it is unnecessary to reschedule foreign debt repayments. Indonesia's current commitment with regard to foreign loans has not yet reached a dangerous stage because of its ability to make the necessary repayments. The minister said this in reply to a question from reporters after he launched the Indonesia-Netherlands Forum in Jakarta on Thursday [12 January].

He said: "Reaching the psychological limit of \$100 billion in loans was a consideration made only by the outside world. There is no question that our foreign debts are huge, but our economic activities are increasing. Therefore, in principle, there will be no rescheduling."

In conjunction with a request made by the Parliamentary Commission on the Draft Budget calling on the government to conduct an immediate evaluation of dormant foreign-funded projects and urging the speedy repayment of short-term high-interest foreign loans, Afiff said the government seldom takes out loans on a commercial basis.

He said: "The loan repayments that the Finance Department disbursed yesterday, however, were repayments for high-interest loans taken from the World Bank and the Asian Development Bank, or ADB, in 1980. We have accelerated the repayment of these loans."

According to Afiff, due consideration has been given to prioritizing the utilization of high-interest loans. Loans taken out by the private sector are uncontrollable, however, because these loans are not reported to the government. It is compulsory for the private sector to report on any loans they take out to the Bank of Indonesia.

Afiff said there should be limitations on such loans in the private sector, but that such a measure cannot be applied in view of Indonesia's independent foreign exchange system.

He said: "If we limit loans in the private sector, people will think that we are exerting control or that an exchange regime exists. This will create doubts among foreign investors as to whether they can reap any benefit from their investments or retrieve their invested capital. Do not let the issue of compulsory reporting of loans taken out by the private sector become a catalyst for other issues. We need to be very cautious because of the competitive markets we are currently facing." [passage omitted]

Liberal Trade, Investment Concept Outlined

*BK1301143695 Jakarta SUARA KARYA in Indonesian
13 Jan 95 p 5*

[Editorial: "Liberalization of Trade, Not of Economy"]

[FBIS Translated Text] In an informal new year meeting with reporters covering trade news on Thursday 12 January, Minister of Trade Satrio B. Yudono talked about trade progress in 1994—especially concerning nonoil and nongas commodities exports—and prospects in 1995. He also discussed the prospects of world trade within the GATT framework and the launching of the WTO [World Trade Organization] as well as the Bogor Declaration.

It is interesting to note the minister's explanation that the acceptance of free trade and investment principles (included in the Bogor Declaration) will not bring uniformity in the economic systems of various countries. This is because uniformity is only found in the trading system. In this way, the minister said, free trade simply means: the sales of goods and services in the foreign market is the same as it is in the domestic market. In other words, the domestic market is not alienated from the foreign market.

Therefore the minister reminded us of the important need to improve the competitiveness of local products through deregulatory measures in trade licensing and procedures. The 25 year period before reaching the year 2020 shall be enough for Indonesia to strengthen its economic competitive power. As of the year 2010, when advanced countries in the APEC open their markets for the free entry of unprotected export products, Indonesia has the chance to expand the markets for its commodities and services.

In line with Minister Satrio B. Yudono's explanation, where all the main points are cited above, there is no reason to worry or to grumble about facing the liberal trade era. The reason is that it has become the world's consensus with the signing of the Uruguay Round GATT talks in Marrakech, Morocco, April 1994. We need, therefore, to underline what President Suharto has often affirmed that like it or not, ready or not, we have to enter the world free trade. Otherwise we will lag behind.

Those who do not understand the reciprocity principle in international relations may take an apathetic stance toward the free trade era and insist that we fortify

ourselves with all kinds of government protection that makes us feel complacent. But when the free trade era becomes a reality, we have to be prepared to see the situation whereby our exports have to face strong overseas trade blocs.

In order to subdue the wrong perception about the idea of free trade and investment that is now prevailing in our society, the government should intensively popularize the principle. This proposition springs up from the conviction that our capability in taking optimal advantage of the free trade system, which will eventually be effective in stages, depends mainly on our ability to increase the competitiveness of our national economy.

If we refer to the effort to improve competitiveness to Article 33 of the 1945 Constitution [dealing with the operation of the economy], we primarily already have a strong basis. The elucidation to Article 33 of the 1945 Constitution reads: "This article contains the basis of economic democracy, production is done by and for all the community and under the leadership or supervision of the community. The main objective is to protect community welfare, not individual welfare."

We take it to mean that whatever we do with our national economy, including efforts to improve competitiveness, is the responsibility of the whole community. That is why popularizing the free trade concept is the key to our community's preparations to face the free trade era.

Laos

SRV Delegations Pay Tribute to Former President

BK1301133595 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 12 Jan 95

[FBIS Translated Text] A high-level Vietnamese party and state delegation led by Comrade Vo Chi Cong, adviser to the party Central Committee, former state president, and former Political Bureau member, has arrived in Vientiane to attend the funeral of Comrade Souphanouvong, adviser to the Lao People's Revolutionary Party [LPRP] Central Committee, former Political Bureau member, and former president of the Lao People's Democratic Republic [LPDR].

In tribute to the comrade, the delegation laid a wreath bearing the inscription: Grieving Deeply for Comrade Souphanouvong. Adviser to the LPRP Central Committee.

On behalf of the high-level Vietnamese party and state delegation, Comrade Vo Chi Cong wrote the following in the mourners' book: We grieve deeply for Comrade Souphanouvong, a highly regarded veteran leader of the Lao party and state and the Lao Front for National Construction; an outstanding son of the multiethnic Lao people; a genuine revolutionary; a loyal and persistent fighter; and a heroic and staunch revolutionary leader who devoted his whole life to fighting for the national

independence, freedom, and happiness of the Lao people. He was also a great, very close, and faithful friend of the Vietnamese people who made countless valuable contributions to building, consolidating, and developing Vietnamese-Lao relations of friendship, solidarity, and all-around cooperation. Faced with this great loss, we would like to extend our deepest condolences to the Lao party and state, the Lao Front for National Construction, the multiethnic Lao people, and the bereaved family of Comrade Souphanouvong.

On the morning of 12 January, a delegation from the Vietnamese Embassy in the LPDR and agencies affiliated with the embassy led by Comrade Vu Xuan Tuu, charge d'affaires in the Vietnamese Embassy, also paid its last tribute to Comrade Souphanouvong.

President Receives Delegation

BK1301144695 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 13 Jan 95

[FBIS Translated Text] Comrade Nouthak Phoumsavan, Political Bureau member of the Lao People's Revolutionary Party Central Committee [LPRP CC] and president of the Lao People's Democratic Republic [LPDR], received Comrade Vo Chi Cong, adviser to the Communist Party of Vietnam Central Committee, and his entourage in Vientiane this morning. Comrade Vo Chi Cong is currently leading a high-level Vietnamese party-state delegation to attend the funeral of Comrade Souphanouvong, adviser of the LPRP CC, former LPRP CC Political Bureau member, and former president of the LPDR, who passed away on the evening of 9 January.

During the meeting, Comrade Vo Chi Cong informed Comrade Nouthak Phoumsavan that he was greatly saddened about the demise of Comrade Souphanouvong. He also conveyed the grief of the SRV party, state, and people to the Lao party, state, and people for the death of Comrade Souphanouvong—a beloved and respected leader of the Lao party and people and a faithful and close friend of the Vietnamese party and people. The Vietnamese party, state, and people shared the grief of their Lao counterparts on this great loss. In the meantime, Comrade Vo Chi Cong highly valued the long-standing fine traditional relations, special solidarity, and comprehensive cooperation between the two parties, states, and peoples of Vietnam and Laos, pledging to consolidate them to conform to the new situation in each country.

Comrade Nouthak Phoumsavan expressed profound thanks and gratitude toward the fraternal Vietnamese party, state, and people for sending a high-level party-state delegation to attend the funeral of Comrade Souphanouvong, thus practically sharing the grief of the Lao party, state, and people as well as of the bereaved family of the late comrade. The sending of the high-level delegation to attend the funeral by the Vietnamese party, state, and people clearly shows that the traditional ties and fraternal affections between the two countries will

never become sour. No matter how much difficulties they may have to undergo, the special Lao-Vietnamese relations will only be further strengthened.

On the same occasion, Comrade Nouthak Phoumsavan also conveyed his profound thanks through Comrade Vo Chi Cong to the Vietnamese party, state, and people for expressing sympathy and sharing grief with the Lao party, state, and people on the death of Comrade Souphanouvong.

Radio Reports Souphanouvong Cremation 14 Jan

BK1501133995 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 14 Jan 95

[FBIS Translated Text] An honorable cremation ceremony for Souphanouvong was held at the That Luang pagoda temple crematorium in Vientiane at 1500 today.

Attending the cremation were Khamtai Siphandon, chairman of the Lao People's Revolutionary Party [LPRP] Central Committee and prime minister; Nouthak Phoumsavan, Political Bureau member of the LPRP Central Committee and president of state; other Political Bureau members of the LPRP Central Committee; ministers and deputy ministers; representatives of mass organizations; relatives and members of the Souphanouvong family; and several thousand Vientiane residents.

Also attending were Vo Chi Cong, adviser of the Communist Party of Vietnam Central Committee; members of the diplomatic corps; and representatives of international organizations in Laos.

After the hearse arrived at the crematorium, a religious ceremony commenced with 150 buddhist monks chanting the last sermon for the dead. Then, Anouvong Souphanouvong, acting on behalf of the Souphanouvong family, delivered a statement. He thanked the committee in charge of the funeral for making the arrangements, and the mass organizations, and the large crowd of Vientiane residents for their attendance. This was followed by the laying of unlit candles and joss-sticks at the base of the hearse bearing the remains of Souphanouvong by buddhist monks, white-robed nuns, members of the committee in charge of the funeral, party and state leaders, members of the diplomatic corps, relatives of the deceased, and Vientiane residents.

The actual cremation will take place at 1930 this evening.

'More Than 90' Refugees Return From Thailand

BK1301143095 Vientiane KPL in English 0958 GMT 13 Jan 95

[FBIS Transcribed Text] Vientiane 3, January 13 (KPL).—More than 90 refugees, predominantly from the Napho refugee center in Thailand returned to their native home in Khongsedon District in the southern Province of Saravan.

Funds in the amount of 18 million kip were received from the United Nations High Commissioner for Refugees (UNHCR) in order to expedite their resettlement. These funds were expended on the construction of schools, artesian well drilling, the purchase of cattle, social welfare and the provision of an additional 46 tons of rice.

During 1994, a total of 140 refugees returned home and were warmly received by the provincial administration and the labor and social welfare service.

Philippines

Ramos Briefs Pope on Government's Peace Efforts

BK1301131395 Quezon City PTV-4 Television Network in Tagalog 1100 GMT 13 Jan 95

[FBIS Translated Excerpt] President Ramos today stressed his administration's effort to achieve peace in the country through a continuous peaceful dialogue with the remaining rebel groups. The president and Pope John Paul II met for about 30 minutes in Malacanang [presidential palace]. [passage omitted]

The president's message was read by Press Secretary Jesus Sison:

[Begin Sison recording, in English] I assured his holiness that the Philippine Government is determined to keep all doors open for our peace process to succeed, and that the government recognizes that the basis of authentic peace is the promotion of human dignity through social justice. I briefed the holy father on the social reform agenda of the government and my commitment to implement social reforms hand-in-hand with the continuing economic progress of the country. [end recording] [passage omitted]

Pope Exhorts Youth To Shun 'Moral Slavery'

OW1501091795 Tokyo KYODO in English 0853 GMT 15 Jan 95

[FBIS Transcribed Excerpt] Manila, Jan. 15 KYODO—Pope John Paul II on Sunday [15 January] exhorted the world's youth to shun the trap of moral slavery and to lead in the healing and transformation of society during a mass attended by millions and bringing World Youth Day celebrations to a close.

Vatican officials estimated more than four million people crammed Manila's Rizal Park (formerly called Luneta Park) and spilled over into streets leading to the park. A Vatican official said it could have been the biggest crowd the pontiff has drawn during his 16-year papacy.

The dense crowd prompted the Pope to take a helicopter to the park instead of an armored jeep from his residence.

"Dear young people of the Philippines, of Asia, of the Far East and the entire world—be a sign of hope for the church, for your countries and for all humanity," he exhorted.

During the homily, the Pope asked the young people not to abuse "the beautiful gift of sexuality" as well as drugs and alcohol and to work to fulfill the mission of Christ.

He noted, "objective moral norms are abandoned under peer pressure and under the pervasive influence of trends and fashions publicized by media."

"Millions of young people the world over are falling into subtle but real forms of moral slavery," he added.

After the homily, the Pope bid farewell to the various delegations in their own languages.

He also extended greetings and hopes for peace to the young people of Sarajevo in the war-torn former Yugoslavia.

To the Japanese delegates, he said, "Jesus is with us always. May you be messengers of the love and peace He brings to our world."

During the singing of praise prior to the homily, the crowd waved flags, handkerchiefs and caps and the pontiff also waved a small green flag.

Among those who attended the mass were priests and nuns from China, who participated for the first time in the Vatican-sponsored youth gathering.

However, 18 of the 24 delegates, mostly laypeople but including one priest, walked out of the mass after seeing Taiwanese flags being flown on the stage from where the Pope officiated the religious service.

They were carrying a Chinese flag, which was not among those displayed on the stage.

"They (the organizers) broke their promise," said Shi Hongxi, vice dean of the Beijing seminary and co-leader of the delegation, told KYODO news service.

"Maybe this is not good for the relationship between the Vatican and Beijing," Shi added.

But four of the five priests among the delegates, and two nuns, were left behind and finished the mass. It was not clear why, although Shi said they might not have known the others had walked out. [passage omitted covered by ref one]

Pope Sends Greetings To Chinese Catholics

OW1401143795 Tokyo KYODO in English 1142 GMT
14 Jan 95

[FBIS Transcribed Text] Manila, Jan. 14 KYODO—Pope John Paul II sent greetings to China's divided church on Saturday [14 January], but stressed that only those loyal to the Pope can be considered genuine Catholics.

In a taped message broadcast by Radio Veritas, a Catholic radio station which can be heard across Asia, the pope conveyed his "special and affectionate greetings to all Chinese Catholics who make present and visible on Chinese soil the Church of Christ..." [ellipses as received]

He noted the difficulties encountered by Chinese Catholics and the "persecutions" the church suffers there.

China broke off ties with the Vatican in 1951 and ordered Catholics there to renounce allegiance to the pope.

Catholics who refused to renounce allegiance to the pope have gone underground, and the pope gave recognition to their "fidelity" and "unshakeable and full communion with Peter" in his message.

After breaking ties with the Vatican, China founded the state-controlled China Patriotic Catholic Association as the official church, but the Vatican does not recognize the new church.

Twenty four members of the association, including five priests, are currently in Manila to attend the Vatican-sponsored World Youth Day celebration for the first time. They said they were invited by Manila's archbishop, Cardinal Jaime Sin, who paid for their trip.

The Vatican on Friday welcomed the presence of the Chinese delegates, and said the Chinese priests have expressed the desire to celebrate a mass on Sunday with the pope.

They must, however, first make a "profession of faith" before the pope.

The profession of faith includes vowing to honor all the doctrines enunciated by the Pope.

Chu Hanyu, the head of the Chinese delegation, said Saturday they do not have any problem with professing faith before the pope.

"We recognize the pope as the highest leader of the Catholic Church worldwide and everyday, in our country, we pray for the pope," he told KYODO NEWS SERVICE.

"We have the same belief as all Catholic people all over the world," Chu said.

Chu said there is now more religious freedom in China, and their presence in Manila for the youth gathering is proof of this.

In his message, the pope also stressed that "unity springs from conversion of the heart, and from sincere acceptance of the unchanging principles laid down by Christ for his church."

"Particularly important among these principles is the effective communion of all the parts of the church with her visible foundation: Peter the rock," the Pontiff said.

"Consequently, a Catholic who wishes to remain such and to be recognized as such, cannot reject the principle of communion with the successor of Peter," he stressed.

Further on Message To China

OW1401144895 Tokyo KYODO in English 1430 GMT 14 Jan 95

[FBIS Transcribed Excerpt] Manila, Jan. 14 KYODO—But the highlight of his trip appeared to be his message to China which was broadcast by the Catholic radio station, Radio Veritas, which celebrated its 25th anniversary Saturday [13 January].

In his message, the pope reiterated one of the "unchanging principles" laid down "by Christ for his church."

"Consequently, a Catholic who wishes to remain such and to be recognized as such cannot reject the principle of communion with the successor of Peter," the pope said.

"I earnestly invite you all to seek paths to communion and reconciliation, paths which draw their light and inspiration from the truth himself—Jesus Christ," he said.

China broke off ties with the Vatican in 1951 and ordered Catholics there to renounce their allegiance to the pope.

Beijing has established the China Patriotic Catholic Association as the official church, but the Vatican has refused to recognize the new church.

Twenty members of China's patriotic church have been attending world youth day rites as well as an undetermined number of Chinese Catholics belonging to the so-called underground church.

Meanwhile, during ceremonies celebrating the 25th year of Radio Veritas, which beams Catholic programs throughout Asia and other parts of the world, President Fidel Ramos announced an indefinite extension of the station's franchise.

Ramos cited the role of Radio Veritas during the people's power uprising in 1986 which toppled the strongman regime of late President Ferdinand Marcos.

The pope thanked Ramos and the Congress for extending the franchise of the station which he described as the "voice of Asian Christianity."

The Pontiff will celebrate another mass on Sunday, officially ending the World Youth Day gathering which will be held again in Paris in 1997.

The pope leaves Manila on Monday morning for Papua New Guinea, the second leg of a four-nation, 11-day trip which will also take him to Australia and Sri Lanka.

PRC Delegation Walks Out on Papal Mass

OW1501074295 Tokyo KYODO in English 0729 GMT 15 Jan 95

[FBIS Transcribed Text] Manila, Jan. 15 KYODO—A Chinese priest and several Chinese laypeople Sunday [15 January] walked out of a mass led by Pope John Paul II after seeing Taiwanese flags being flown during the mammoth public gathering in a Manila park.

Eighteen of 24 Chinese delegates attending their first Vatican-sponsored celebration of World Youth Day withdrew when they spotted the Taiwanese flag among those displayed on the stage where the Pope addressed the crowd, estimated by Vatican officials to number some four million people.

As they left, the delegates were carrying a Chinese flag, which was not among those displayed on the stage.

"They (organizers) broke their promise," said Shi Hongxi, vice dean of the Beijing seminary and co-leader of the delegation, adding, "maybe this is not good for the relationship between the Vatican and Beijing."

However, four of the five priests among the Chinese delegates, and two nuns, remained to the end of the mass which closed the World Youth Day celebration.

It was not clear why they, including delegation head Fr. Chu Hanyu, were left behind, but Shi said they might not have known that the others had walked out.

It was the first time the Chinese delegates to the Philippines had attended a mass led by the Pope. During the rite, the Chinese priests who concelebrated the mass and other members of the delegation professed their faith before the Pope.

Beijing broke its ties with the Vatican in 1951, and the Chinese authorities ordered Catholics in China to renounce any allegiance to the Pope. Thousands were jailed for failing to heed the order.

The Beijing government then founded the China Patriotic Association, of which the Chinese delegates are members.

There are now an estimated four million members of the state-sponsored church in China, according to Shi, although Vatican sources say an undetermined number of Catholics have gone underground since the 1950s and have remained loyal to the Pope.

The Chinese delegation had earlier walked out of the opening mass for the youth gathering Tuesday, saying they were "deeply offended" when they saw Taiwanese flags being displayed during the mass.

Shi also wrote a letter of protest, and church leaders assured him the action would not be repeated.

Under its "one China policy" China considers Taiwan a renegade province, and asks all states with which Beijing maintains ties not to recognize Taiwan as an independent country.

Shi said the organizers apparently brought politics into religious affairs, and this does not augur well for relations between China and the Vatican.

Church officials, however, have been trying to mend ties with China, and the Chinese delegates were invited to the Philippines by Manila Archbishop Cardinal Jaime Sin as part of those efforts.

Pope Departs; Assassination Plot Revealed

BK1601124295 Quezon City PTV-4 Television Network in Tagalog 1000 GMT 16 Jan 95

[FBIS Translated Excerpt] Pope John Paul II left the country at 1015 for Port Moresby in Papua New Guinea following a successful five-day visit to the Philippines. President Ramos, the first lady, high-ranking government officials, members of the diplomatic corps, and thousands of Filipinos saw off the pope at the old Manila International Airport. Although security at the old international airport was very tight, thousands of Filipinos still trooped to the airport and waited for hours to catch a glimpse of the pope before he left.

In his departure message, the pope expressed heartfelt thanks to the Philippine people for the warm reception he has received from his arrival up until the last moment of his visit. The holy father specifically thanked President Ramos and government officials. The pope said he will take with him the important keepsakes he received and the memory of his successful visit to the Philippines. More than anything else, the pope thanked the youths who helped make the 10th celebration of World Youth Day a success:

[Begin John Paul recording in progress, in English] ...of the Filipino people. I know you desire for greater justice and a better life for yourselves and your children. No one can underestimate the difficulties you face and the hard work that lies ahead. Above all, no one should pull back from the great amount of real and effective solidarity; a new solidarity between individuals, in families, and throughout the society. There has to be progress in sharing. There has to be a renewed sense of responsibility from everyone, for everyone. We are, each of us, our brother's keeper. May God help you to follow the path you have already begun towards a continuing development that presents and promotes the true values of your Filipino culture. [end recording]

In response, President Ramos said that he and his administration will take all the necessary steps to help maintain world peace. Ramos also said his government will continue the implementation of vigorous programs to fight poverty in the country:

[Begin Ramos recording, in English] Your Holiness, I do not have to tell you of how much your visit has inspired the Filipino people; 65 million of us. [applause and cheers]

You have filled our hearts to overflowing. You have seen and heard it for yourself these past four days. Let me just say this very simply: We have listened and we have heard your message, and we will bear it in mind in our labors in the days and months and years to come. For truly there is much that we can do for ourselves, for our country, and for the world once we learn—as you put it, Your Holiness—to see with the eyes of Jesus Christ. [applause]

There are no obstacles that cannot be hurdled once we take to heart his message of faith, hope, and love. With the young people of the Philippines and the youth of the world whom you affected so deeply, we too pledge a new commitment to meeting the great needs of our country and of all humanity. [applause]

Here on Philippine shores, we will carry on with even greater resolve with our mission to conquer poverty, to lift every citizen to a life of dignity and wellbeing, and to sustain ourselves on the needs of the spirit. Beyond our shores, we will make common cause with others in building a more peaceful and happier world. [end recording] [passage omitted]

There was an alleged plot against the pope's life during his visit. This was revealed by Brigadier General Leo Alvez, Presidential Security Group [PSG] commander, in a security briefing this morning at Villamor Air Base. Alvez said this was based on documents seized in a police operation last Friday. In this regard, Percival Adiong, Task Force Holy Watch chief, said the operation will continue to investigate the report. Meanwhile, Silverio Alarcio, PSG Task Force Stick chief, said this is the reason the pope's route was changed:

[Begin recording] [Alvez, in English] There were some police intelligence operations that were conducted some time before the pope's visit and during the pope's visit, and in one of these intelligence operations we found the route of the pope in the hands of the terrorists and this had some markings and some... [pauses] What you call this? I don't know if it has been (?marked); made part of their whole plans also. So that is the reason why we were forced to make this diversions. And because of this, I would like—I think the crowd, or the audience, or the public, the Filipino public, is entitled to this explanation—I would like to ask their—my apologies also from them—and understanding for such a diversion.

[Adiong, in English] We started planning as early as January of 1994; one year preparation. I was happy to be designated joint task force commander of Joint Task Force Holy Watch. The task group is composed of Armed Forces of the Philippines and Philippine National Police personnel. Maybe one of the (?most) massive because we were thinking—talking—here about close to 20,000 personnel employed at any one time.

[Alarcio] This might be the mother of all security arrangements because aside from the large crowd there was the situation itself; the threat. There was also the medical aspect of the preparations that we were able to accomplish. [end recording]

NEDA Official Views Monetary Ceiling Slippage

BK1601094295 Manila MANILA BULLETIN in English 13 Jan 95 p B-1

[Report by Fil C. Sionil]

[FBIS Transcribed Text] The Philippine Government will be able to defend the slippages in monetary ceilings before the International Monetary Fund (IMF) review team set to come here next month, the National Economic and Development Authority [NEDA] assured yesterday.

Socioeconomic and Planning Secretary Cielito Habito, who is also NEDA secretary general, said the government has all the reasons to ask the IMF to accommodate the expected P [pesos] 7 to P10 billion excess in base money target.

Habito said the Philippines will not cut short its three-year program with the International Monetary Fund even if "positive" economic indicators merit loosening of IMF restrictions.

"As far as the resources or funds from the IMF are concerned, we don't need it right now," he told reporters at a media forum.

"We have every opportunity to even abort the agreement at this point in time, but we don't want to do that," because of the "signals" it may send to the international community, Habito said.

He cited the faster economic growth rate of the country last year of 5.5 percent, which effectively led to more money circulating in the system.

The level of economic growth for 1994 was higher than the 3.0 to 3.5 percent growth range projected by the IMF.

"We can insist that meeting the end-December (1994) base money level is not necessary anymore... (because) we grew over 3.5 percent and (at the same time) inflation was down," he said.

Habito, as the Bangko Sentral ng Pilipinas [Central Bank of the Philippines] (BSP) does, estimated that the country will get the seal of good housekeeping from the IMF despite slippages in meeting some of the monetary targets last December.

On Wednesday, BSP Governor Gabriel Singson disclosed that base money level for end-December was over and above the agreed target.

Thailand

Khun Sa Aide Denies U.S. Citizens Face Danger

BK1501113495 Bangkok THE SUNDAY NATION in English 15 Jan 95 p A2

[FBIS Transcribed Text] Opium warlord Khun Sa does not want to make enemies of other countries and it was

needless for the United States to caution its citizens against travelling in parts of northern Thailand, according to a prominent aide to the leader of the self-styled Shan state.

Kuensai Chaiyen is responsible for liaising between Khun Sa's Mong Thai Army (MTA) and foreign countries. He said people living in Shan state—an area claimed by ethnic Shan separatists on the Thai-Burmese border—were disheartened to learn about the US warning.

"Although people have been violating the human rights of the Shan for a long time, we have never wanted to make enemies of, or attack the citizens of other countries. We want to make friends. We need help from other countries.

"The US is the most powerful country in the world. How would we dare to challenge it," Kuensai said.

The warning, issued by the US State Department last Saturday, identified three provinces in northern Thailand—Chiang Mai, Chiang Rai and Mae Hong Son—as "areas of the greatest concern (to the US)".

It warned American tourists travelling in the North against "possible reprisals" by Khun Sa's MTA, after a number of his leading lieutenants were arrested in late November. The crackdown is said to have crippled Khun Sa's heroin smuggling network in this country.

Referring to the thorny question of ethnic Shan cultivating opium poppies, Kuensai explained that people living in Shan state would have great difficulty finding other ways to earn a living as long as Burmese government troops kept on attacking their strongholds along the Thai-Burmese border.

"This problem of opium-growing could be settled very amicably, if only the Burmese government stopped attacking us," he said.

Kuensai repeated earlier requests for Shan state to be consulted over plans to set in motion the Economic Quadrangle Development project. This is an agreement between this country and China, Laos and Burma to cooperate on mutually beneficial development projects.

"Any developments initiated on Shan soil without prior approval from the Shan people will only serve to hurt the feelings of local people," he said.

Meanwhile, PM's [Prime Minister's] Office Minister Sawit Phothiwihok, the minister with overall responsibility for the Tourism Authority of Thailand (TAT), said he has a meeting in Chiang Mai on Monday with police chiefs from the three provinces mentioned in the US State Department warning. He said they will discuss ways of beefing up security for tourists travelling through the area.

Last Friday, Defence Minister Wichit Sukmak gave assurances that US tourists travelling in the North were not at risk.

Khun Sa himself recently wrote to a Thai daily newspaper claiming that Washington is pressuring the Burmese government to clamp down on ethnic minority groups along the Thai-Burmese border.

In his letter, he said his Shan state was a "lucrative area which many parties want to exploit".

Burmese Forced Laborers Allowed To Stay at Camp

BK1701065695 Bangkok BANGKOK POST in English
17 Jan 95 p 6

[FBIS Transcribed Text] Kanchanaburi—More than 200 ethnic Mons fled across the border into Sangkhla Buri district last week, and have been allowed to join temporarily some 3,000 others at Pa Yao Mon refugee camp 50 kilometres to the south.

According to a spokesman for the Mon National Refugees Relief Committee, the 200 Mons are from Ye township. They escaped from forced labour gangs building a railway line, guarded by Burmese soldiers.

The spokesman said 100 other ethnic Mon civilians, also from Ye township, are on their way to the Thai border. They have travelled through jungle areas in small groups to avoid Burmese forces. It is expected that they will arrive at the Thai border this week. They may be settled at Pa Yao camp, the spokesman said.

About 12,000 ethnic Mon refugees have been living at four camps near the Thai border: 5 000 at Halockani camp, 3,000 at Pa Yao camp, 1,500 at Bi Ri camp—all three are in the Kanchanaburi border area.

Agreement With SRV on Sea Boundary Demarcation

BK1401132495 Bangkok BANGKOK POST in English
14 Jan 95 p 6

[FBIS Transcribed Text] Thailand and Vietnam yesterday agreed that boundary demarcation in the Gulf of Thailand would be a preferable solution to the problem of overlapping claims in the area, a senior Thai official said.

"The first priority of the two sides is to try to define the sea boundary but if this cannot be done, setting up a JDA (Joint Development Area) would be another choice," said Krit Kanchanakunchon, director general of the Foreign Ministry's Treaties and Legal Department.

Mr Krit made the remark at the end of four days of talks between Thai and Vietnamese officials on the overlapping zone in the Gulf of Thailand. The overlap measures some 6,000 square kilometres, according to officials' estimates.

Mr Krit headed the Thai delegation. His Vietnamese counterpart Nguyen Qui Binh co chaired the discussions, which were the third of this kind since 1993.

Mr Binh described the discussions as "constructive" and held "in a new era" of close relations between Vietnam and Thailand.

The discussions made good progress on the issue, he said "We did not rule out any possibility. At the same time the door is open for a sharing of the boundary lines on the sea."

Thailand put forward its claim to the overlapping area in 1973, two years after Vietnam did. The two countries and Cambodia have an overlapping area estimated at 32,000 square kilometres.

Deputy Foreign Minister Surin Phitsuwan has said Thailand should discuss overlapping claims separately, with Vietnam and Cambodia in turn, rather than jointly. The zone is believed to be rich in hydrocarbons.

Vietnam and Malaysia have agreed to set up a JDA in their overlapping zone of 2,000 square kilometres.

Mr Krit said Thailand and Vietnam were moving closer to a solution, saying "the gap is narrower than before".

Chuan Visit To Australia, New Zealand Postponed

BK1401121795 Bangkok THE NATION in English 14
Jan 95 p A4

[FBIS Transcribed Text] Prime Minister Chuan Lik-phai's planned state visit to Australia and New Zealand from Feb 3 to 13 has been postponed indefinitely, Government House sources said yesterday.

Chuan had explained that the reshuffled government needed some time to shake itself down and there was a large agenda to be attended to urgently before he would be free to visit the southern hemisphere countries, the sources said.

Normally, the foreign minister accompanies the prime minister on official overseas visit. Some sources have linked the postponement to the unsettled constitutional controversy involving Foreign Minister Thaksin Chinawat, whose future is uncertain as a result of the new Constitution passed by the Parliament. The sources said the prime minister may want Thaksin to be clear of any constitutional constraints before he accompanies him to Australia and New Zealand. They said the trip would be revived when the Thaksin issue was settled.

The new Constitution forbids a Cabinet minister from being a party to monopolistic contracts or deals with government agencies or state run enterprises that may put him or her in, a position where there is a conflict of interest.

Thaksin has billions of baht worth of business contracts, largely with the state.

The Cabinet has asked the Constitution Tribunal to interpret the new charter to see whether Thaksin is constitutionally qualified to become a Cabinet member.

The tribunal's ruling is expected within a month. Thaksin and his Phalang Tham have vowed to respect the ruling.

Ministry To Lodge Protest With Japan Over Guide

BK1701055795 Bangkok BANGKOK POST in English 17 Jan 95 p 3

[FBIS Transcribed Text] An official protest will be lodged with the Japanese government over the publication of a guidebook on Thai prostitution for Japanese men. Foreign Minister Thaksin Chinnawat said yesterday. Mr Thaksin said his ministry would ask the Japanese Government to act against the publisher.

Data House, a small publisher in Shinjuku, released 15,000 copies of "Thailand night zone guidebook: Thailand money sex guidebook" in September.

Sold at 1,200 yen (roughly 300 baht), the 260-page guidebook contains tell-all pictures of various aspects of Thai prostitution and articles giving details of the experiences of Japanese men who paid for sex in Thailand. It also contains telephone numbers, addresses and prices.

Human rights and women's groups in Japan called on the publisher last week to withdraw the guidebook and give up a plan to print a second edition after the first was sold out. They are scheduled to meet the publisher for a second time tomorrow to hear a decision or the reprint.

"I think it's impossible to expect a positive decision," said one of the activists who met the publisher, when contacted in Yokohama yesterday.

"It's just information, it's up to the consumer to decide," she quoted the publisher as saying.

She also said the publisher insisted the women who appeared in the tell-all pictures agreed to have their pictures taken while providing service to a Japanese customer and to the pictures being printed in the guidebook.

"I don't think the women knew what they were going to do with the pictures," said another human rights activist also campaigning against the publication.

Mr Thaksin said the guidebook tarnished Thailand's Image.

Ministry To Adjust Farm Plan in Line With GATT

BK1501120995 Bangkok Radio Thailand Network in English 0000 GMT 15 Jan 95

[FBIS Transcribed Text] The Ministry of Agriculture and Cooperatives has set up a working group to adjust its all-round agricultural production plan in line with the new GATT agreement and the ASEAN Free Trade Area, AFTA.

Deputy Agriculture Minister Churin Laksanawisit says Thailand has to open up its market for 23 farm products under the GATT agreement. The 23 farm products are divided into three groups. The first group includes the products that will benefit from the market liberalization. They are rice, maize, tapioca, and sugar. The second group involves the products that will be affected by the program. They are palm oil, soybean, coffee, and garlic. The third group involves the products that will not be affected by the market liberalization program. Among them is milk products because their imports have already been allowed. The Ministry of Agriculture and Cooperatives will seek cooperation from the private sector in agricultural production development, production cost reduction, and research and development.

Central Bank Intervenes in Financial Markets

BK1701065895 Bangkok THE NATION in English 17 Jan 95 pp B1, B2

[FBIS Transcribed Text] Following the Bank of Thailand's intervention, sentiments in the financial markets yesterday returned to almost normal, with the interbank rate moving between 11-12 per cent and the baht sustaining its value at [Thai baht] Bt25.07-Bt25.08 above the mid-rate of Bt25.04 against the US dollar, dealers said.

But the stock market managed to gain only 4.05 points with the SET index closing at 1,252.64 compared to a loss of about 70 points in the last two working days of last week. The turnover yesterday was Bt10.8 billion. The capital market was helped greatly by the successful first day's trading of Electricity Generating Plc [Public].

This follows the central bank's effective measures to defend the baht at all costs in the wake of last week's currency crisis by providing breathing room for the financial institutions to adjust their liquidity. For the first time ever, the banking authorities yesterday allowed the foreign banks to directly conduct foreign exchange transactions with the Exchange Equalization Fund (EEF), capping the US dollar at a floor-ceiling rate of plus or minus two stang from the midrate of Bt25.04.

"The money market has really calmed down. In the morning the interbank rate was quoted at 15 per cent, but now (at 15:00 PM) it is ranging between 11-12 per cent," said a treasurer at Citibank NA.

On Friday the central bankers permitted the foreign banks to conduct currency swaps with the EEF and charged two stang above the mid-rate over a one-week period. Then they injected as much as Bt27 billion into the system to ease the liquidity after the panic foreign fund managers, seeking to pull out of the emerging markets after their misfortunes in the Mexican market meltdown, heavily sold the baht for the US dollar.

With the baht being drained quickly into the EEF, money supply became suddenly tight. The interbank rate

on Friday, as quoted by all the five major banks, skyrocketed to 50 per cent before subsiding to 15-20 per cent before the market closed for the day.

Between last Wednesday and Friday of the currency crisis, the gross trading of foreign exchange in the Bangkok market reached a staggering US\$5 billion, US\$2 billion of which was traded in the swap market and the remaining US\$3 billion in the spot market.

This merciless battering sent the baht down to a record low of Bt26.20 against the US dollar at one trading point, a record low since the baht devaluation in 1984. "With that record low, it is likely to create a psychological effect with more volatility in the dollar-baht trading," said Thippaphon Koetphon, chief treasurer at Standard Chartered Bank.

She added that the authorities at the central bank have taken the right action in providing ample liquidity to cushion the market at the height of the turbulence, but cautioned that they should take the crisis over the past week as a lesson before coming up with preparatory measures to deal with a similar crisis in the future.

Although the banking authorities were widely praised for their decisive action on Friday, they were blamed for their failure to respond to the market crisis on Thursday. "They should not have closed their door at noon on Thursday because panic was fully blown out. They should have continued to monitor the market," said a finance executive, who sought anonymity.

"But on Friday the banking authorities responded well. Although the EEF closed at noon, in practice they allowed the financial institutions to adjust their liquidity throughout the day," he added.

The baht-US dollar interest rate differential widened to 3 per cent, against 2.50 per cent in the past, according to Thippaphon of Standard Chartered.

Yesterday there was still demand for the dollar for those who have sold forward and those who needed to square their positions. "It should take some more time, probably after the Chinese New Year's Day, before you can really say that the market will return to normal," said a swap dealer at Citibank NA.

Trading in the spot market was estimated at US\$500 million, compared to US\$300-US\$500 million in the swap market. There were some swap transactions, whose rate was brought down from 18 stang per dollar for a one-month period to 10-12 stang.

According to a treasurer, over the three-day crisis commercial banks should easily make more than Bt1 billion from foreign exchange transactions and lending through the money market. "Siam Commercial Bank should make the highest profit because it accounted for a volume of about Bt6-Bt7 billion," the treasurer said.

Bangkok Bank had a volume of Bt10 billion, but made less profits than SCB because it was more cautious in the

forex market. Krung Thai Bank, which had liquidity on hand of only Bt600 million, lost the opportunity to make money because it did not have idle funds to capitalize on the crisis.

Official Denies Plan To Devalue Currency

BK1601091095 Bangkok Radio Thailand Network in English 0000 GMT 16 Jan 95

[FBIS Transcribed Text] Deputy secretary general to the prime minister, Aphisit Wetchachiwa, issued a statement refuting widespread rumors that the Government plans to devalue the Thai baht.

Mr Aphisit, formerly the Government spokesman, said that the current exchange rate was determined by a formula based on exchange rates of Thailand's key trading partners. Any change in the value of the baht under the system will therefore be gradual and long-drawn out. He said the government had no plans to abandon the current system. He also stated that the government-imposed devaluation would only be reasonable if it helps boost Thai exports for making them cheaper in foreign markets.

Current exports are already considered to be at the satisfactory level by the government. The rumor did considerable damage in the stock exchange of Thailand [SET] with the mass sellouts causing SET index to plummet.

Mr Aphisit urged investors to use their judgement and reason in their investment decisions.

Meanwhile, Deputy Prime Minister Suphachai Phanitchaphak told reporters that he had no idea how the rumor of the Thai baht devaluation came about, especially in view of the healthy local economy and good export performance. He remarked that Thailand has little in common with Mexico with has enormous amount of foreign debts. Mexico is also not a major trading partner.

Vietnam

Team Recovers Remains of Suspected U.S. MIA's

BK1601111095 Hanoi Voice of Vietnam in English 1000 GMT 16 Jan 95

[FBIS Transcribed Text] Joint U.S.-Vietnamese team searching for U.S. servicemen missing in the Vietnam war has found human remains and received others turned in by Vietnamese villagers. The remains, believed to be of U.S. servicemen, will be sent back to Hawaii for forensic analysis on February 13 at the first repatriation ceremony of 1995. The U.S. military sent back 57 caskets of remains possibly relating to more than 60 servicemen in six separate repatriation last year.

Cambodian Prime Minister Ranariddh on Visit

Agenda for Ranariddh Visit Outlined

BK1401133095 Bangkok BANGKOK POST in English 14 Jan 95 p 6

[Report by Suphaphon Kanwerayothin from Hanoi]

[FBIS Transcribed Text] Cambodia's First Prime Minister Prince Norodom Ranariddh will lead a high-level delegation to Hanoi tomorrow to resolve a mounting crisis of cross-border movement of goods and people between Vietnam and Cambodia.

Prince Ranariddh is also expected to carry a message from his father, King Norodom Sihanouk, urging Vietnam to support his idea of national reconciliation by integrating the Khmer Rouge into the political mainstream, well-informed sources told the Bangkok Post.

Members of the first prime minister's 43-strong entourage include Interior Minister Yu Hokkri, Defence Minister Tea Chamrat, Transport Minister Ing Kiet, Foreign Minister Ing Huot, Commerce Minister Cham Prasit, Agriculture Minister Tav Senghuo, and Education Minister Tol Loah.

During his three-day stay in Hanoi, Prince Ranariddh is scheduled to call on President Le Duc Anh and Communist Party Chief Do Muoi.

A meeting between the Cambodian premier and Vietnamese Prime Minister Vo Van Kiet is tentatively planned for Tuesday morning in case officials of both sides cannot resolve sticky issues, according to a source.

The most important question both sides want to settle during this low-key visit is how to deal with cross-border movements of goods and people, an issue that has economic and security implications.

The Vietnamese government has not officially announced the visit.

Cambodian and Vietnamese officials plan to negotiate an amendment on the transit of goods pact. Two months ago, Vietnamese authorities detained Cambodian vessels on the Mekong river allegedly carrying products prohibited for import/export by Vietnamese law.

In the past, Vietnamese and Cambodian goods and people crossed the border liberally. But in recent months, Vietnam tightened control of these passages on grounds that freedom of movement has been abused by criminals and smugglers.

A Vietnamese official source said 700 cars were smuggled by Cambodians into Vietnam last year, through the south-western border. Vietnamese customs let the cars through because they carried official documents from the Phnom Penh government seeking passage.

"But those cars never made their way back to Cambodia," said the source.

Cambodia took Vietnam's crackdown on cross-border movements as a gesture of protest after Cambodia passed new immigration laws seen by independent observers as targeted against ethnic Vietnamese in Cambodia.

At talks on Monday and Tuesday, the two sides plan to work out measures to defend mutual border security, safety in road and waterway transport, and fighting smuggling and banditry, sources said.

Vietnam's decision on conditions for transit is important because currently the safest and most economic way for commodities to get in and out of Cambodia is via Saigon Port in Ho Chi Minh City.

Cambodia can also import goods by air through Tan Son Nhut airport in Ho Chi Minh City, by ship along the Mekong River, or overland through Moc Bai checkpoint which links with Route 1 to Phnom Penh.

"The Cambodian government badly needs this transit facility. At a time when the Vietnamese authorities restrict the volumes of transit, it creates a problem for Cambodia," the Vietnamese source said.

The source added that the Cambodian government has made countless pleas for Vietnam to relax controls on transit activities.

Also under the transport and transit agreements, officials will hold detailed discussions about a transport service co-operation. The Vietnamese side proposed talks on the My Thuan bridge.

The Australian government offered to fund construction of the My Thuan bridge in the Mekong River delta in Vietnam, and a feasibility study funded by Canberra is under way. But a dispute between Cambodia and Vietnam over the height of the bridge is threatening to stall what looks like a simple project.

Do Muoi Meets Cambodian Ambassador

BK1501120595 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 14 Jan 95

[FBIS Translated Text] Party General Secretary Do Muoi cordially received a courtesy call from Cambodian Ambassador to Vietnam Meas Sip on 14 January.

During the reception, Ambassador Meas Sip stressed the longstanding traditional friendship and unity between the Cambodian and Vietnamese peoples. He said that bilateral relations are developing satisfactorily and that the upcoming visit to Vietnam by Cambodian First Prime Minister Ranariddh will certainly contribute to consolidating and strengthening these relations.

General Secretary Do Muoi welcomed the upcoming working visit to Vietnam by Cambodian First Prime Minister Ranariddh. He considers it an important event that will further strengthen the relations of friendship and good neighborliness as well as the multifaceted cooperation between the two nations. On this occasion, General Secretary Do Muoi conveyed his best wishes for the good health of King Sihanouk and wished the Cambodian ambassador success in his mission in Vietnam.

Ranariddh Arrives 15 Jan

BK1501143895 Hanoi VNA in English 1419 GMT 15 Jan 95

[FBIS Transcribed Text] Hanoi VNA Jan. 15—First Prime Minister [P.M.] Samdech Norodom Ranariddh of Cambodia arrived here today at the head of a government delegation for a working visit to Vietnam as guest of Prime Minister Vo Van Kiet.

He was accompanied by, among others, P.M.'s wife, Princess N.M. Ranariddh, and Deputy Prime Minister and Minister of Public Works and Transport Ing Kiet.

The Cambodian first prime minister and his party were welcomed at the government's guest house by Prime Minister Vo Van Kiet and his wife, Foreign Minister Nguyen Manh Cam, Cabinet Minister and Director of the Government's Office Le Xuan Trinh.

Vietnamese Ambassador to Cambodia Tran Huy Chuong and his Cambodian counterpart Meas Sip joined the welcoming party.

P.M. Kiet in his welcoming speech highly valued the delegation's visit as a manifestation of the friendship between the two neighbouring countries.

Vo Van Kiet Meets Ranariddh

BK1601150595 Hanoi VNA in English 1438 GMT 16 Jan 95

[FBIS Transcribed Text] Hanoi VNA Jan.16—Talks were held here this morning between Vietnamese Prime Minister Vo Van Kiet and First Prime Minister of the Kingdom of Cambodia Samdech Krom Preah Norodom Ranariddh who is now on a visit to Vietnam.

The two sides noted with satisfaction at the new steps in the development of the relations between the two countries since the founding of the government of the Kingdom of Cambodia and affirmed that they would constantly strive for further consolidation and development of the traditional friendship and all-sided cooperation between the two countries on the fundamental principles stated in the joint communiques signed in January 1992, August 1993 and April 1994 in the interests of the two countries and the trend of friendship and cooperation in Southeast Asia.

They compared notes on practical measures aimed at broadening and promoting cooperation in different fields particularly economy, trade and education. The two sides also discussed orientation for solving the issues of overseas people, border and territory..., and to early hold talks between working groups founded on the occasion of Prime Minister Vo Van Kiet's visit in April 1994 in order to reach a fundamental and lasting solution to make the relations between Vietnam and Cambodia stable and firm.

Exchanging views on the situation in Southeast Asia, the two prime ministers hailed the trend of peace, stability

and cooperation for the regional development and affirmed the two countries wishes to broaden their cooperation with ASEAN.

The talks took place in an atmosphere of friendship, mutual understanding and sympathy.

Leaders Receive Delegation

BK1601153695 Hanoi VNA in English 1456 GMT 16 Jan 95

[FBIS Transcribed Text] Hanoi VNA Jan. 16—Party General Secretary Do Muoi and state President Le Duc Anh received here today on separate occasions First Prime Minister Samdech Norodom Ranariddh of Cambodia and his party who are here on a working visit as guest of Prime Minister Vo Van Kiet.

During their meetings First Prime Minister Ranariddh praised the Vietnamese people's achievements in their renovation process and expressed his satisfaction at the results of the talks between the two high-ranking government delegations. He also expressed his thanks to the Vietnamese party, government and people for their valuable assistance to the Cambodian people to overcome difficulties caused by natural calamities in the recent years.

He reaffirmed that the government of the Kingdom of Cambodia wishes to constantly consolidate and strengthen the friendship, neighbourliness and all-round cooperation with Vietnam.

For his part, General Secretary Do Muoi welcomed the current Vietnam visit of the delegation regarding it as an expression of the fine development of the relationship between the two countries.

During the reception, Mr. Ranariddh conveyed Head of State Norodom Sihanouk's regards and his invitation to President Le Duc Anh to visit Cambodia. He informed the Vietnamese president of some socio-economic and political developments in Cambodia.

For his part, President Anh expressed his pleasure at Cambodia's stable development under the leadership of Mr. Norodom Sihanouk. He spoke highly of Mr. Sihanouk's sentiments and efforts to foster the Vietnam-Cambodia friendship for each people's aspiration and benefits, thus contributing to the maintenance of peace, stability and development in the region.

Mr. Anh took this opportunity to ask Prince N. Ranariddh to convey his regards and thanks to Mr. Sihanouk as well as his invitation to Mr. Sihanouk to visit Vietnam.

Ranariddh Condemns Killing of Tourist

BK1701085095 Hong Kong AFP in English 0822 GMT 17 Jan 95

[FBIS Transcribed Text] Hanoi, Jan 17 (AFP)—Cambodian first Prime Minister Prince Norodom Ranariddh on Tuesday condemned the murder of a US tourist in northwestern Cambodia, but warned visitors to keep on the beaten track.

"Firstly, we are very sorry about the what happened, its a very unfortunate incident," he told AFP while on a three-day working visit to Vietnam which began on Sunday—the day of the attack. The woman and her guide were killed in the attack on the road to Banteay Srei, about 20 kilometers (12 miles) north of Siem Reap town in Siem Reap province, a remote part of the world famous Angkor Wat temple complex.

"Secondly, we are sorry that some people did not follow the order not to bring any tourists to Banteay Srei. It is not Angkor Wat, it is very far from Angkor Wat," he said.

"I think the purpose of the attack was robbery, but robbery or not we have to provide safety for all foreigners who visit Cambodia," the co-premier said.

"We have to investigate who was responsible for this assassination," Ranariddh added while on a visit to a Hanoi trade fare on the last day of his visit to Vietnam.

He said he had told Vietnamese Prime Minister Vo Van Kiet during talks Monday that he recognised the responsibility of the royal government to ensure the security of foreigners in Cambodia.

The Cambodian Ministry of Tourism on Monday rejected responsibility for the deaths of an American and her Cambodian guide in the attack, in which her husband was also wounded.

"The ministry released a statement two months ago telling the governor of Siem Reap and travel agencies not to visit Banteay Srei temple until we have improved security," Secretary of State for Tourism Thong Khon told AFP in Phnom Penh.

"We told travel agencies and they did not listen and we are investigating which tour group organised that trip and it's their responsibility," he said.

Cambodia's Tourism Minister Veng Sereivut was part of a 40-strong delegation accompanying Ranariddh on the fence-mending trip to Vietnam, but could not be reached for comment.

Ranariddh Concludes Visit, Departs

BK1701153095 Hanoi VNA in English 1436 GMT 17 Jan 95

[FBIS Transcribed Text] Hanoi VNA Jan. 17—Cambodian First Prime Minister Samdech Norodom Ranariddh, his wife and his party left Hanoi this afternoon, ending their three-day visit to Vietnam.

They were seen off by Prime Minister Vo Van Kiet and his wife, Foreign Minister Nguyen Manh Cam, Cabinet minister and head of the Government Office Le Xuan Trinh and other high-ranking officials.

Vietnamese Ambassador to Cambodia Tran Huy Chuong and Cambodian Ambassador to Vietnam Meas Sip joined the farewell party.

While in Vietnam, First Prime Minister Ranariddh and his entourage visited the Hannel Electronic Company in Hanoi and the spring fair and had working sessions with leaders of some ministries and branches.

Yesterday evening, Prime Minister Vo Van Kiet and his wife gave a banquet in honour of First Prime Minister Ranariddh, his wife and his party.

Party, State Pays Tribute to Lao Leader in Hanoi

BK1301160895 Hanoi VNA in English 1509 GMT 13 Jan 95

[FBIS Transcribed Text] Hanoi VNA Jan. 13—A party and state delegation led by Do Muoi, general secretary of the Communist Party of Vietnam Central Committee [CC] visited the Lao Embassy here this morning to pay last floral tributes to former Lao President Souphanouvong who died on Monday [9 January].

The delegation also included Advisor to the Party CC Pham Van Dong, President Le Duc Anh, President of the Vietnam Fatherland Front Central Committee Le Quang Dao, Vice Prime Minister Phan Van Khai and Foreign Minister Nguyen Manh Cam.

Writing on the mourners' book, General Secretary Do Muoi and President Le Duc Anh praised Mr Souphanouvong as a 'great leader of the Lao party, state and people, a very close, great and faithful friend of the Vietnamese people'. They also praised him for having made 'great, valuable contributions to the building, consolidation and development of the special friendship, solidarity and all-round cooperation between Vietnam and Laos'.

The same day a delegation of the National Assembly Central Committee led by Chairman Nong Duc Manh, and several other delegations of Vietnamese party and state agencies and mass organizations paid homages to the former Lao president.

Also this morning a high-level party and state delegation led by Vo Chi Cong, advisor to the Central Committee of the party, which is in Vientiane for the funeral of Mr Souphanouvong was received by Nouthak Phoumsavan, Politburo member of the People's Revolutionary Party and president of Laos.

During the reception, the two sides expressed their wish for constant development of the special friendship and solidarity and all-round cooperation between Vietnam and Laos.

Do Muoi Receives Daimler Benz Delegation

BK1401161395 Hanoi VNA in English 1439 GMT 14 Jan 95

[FBIS Transcribed Text] Hanoi VNA Jan. 14—We are determined to contribute to Vietnam's future success with our extensive range of products and know-how re-emphasised Mr. Edward Reuter, president of the Daimler Benz Group of Germany in a meeting with the

party General Secretary Do Muoi during his working visit to Vietnam from Jan 11-13.

While here, Mr. E. Reuter and his party had working sessions with leaders of Ministries of Transport and Communication, Energy, Heavy Industry, the State Planning Committee, the State Committee for Cooperation and Foreign Investment and many economic establishments to inquire into possibilities of promoting cooperation and investment in Vietnam's infrastructure building, aviation, railway and public transport.

The group with its four divisions, Mercedes-Benz, Daimler-Benz Aerospace, AEG Daimler Benz Industries and Daimler Benz Interservices plans to invest around DM 250 million in Vietnam over the next five years.

A plant will be built in Ho Chi Minh City to assemble cars and commercial vehicles as a joint venture between Mercedes Benz and the local partners Saigon Automobile Mechanical Corporation (Samco) and the May First Automobile Factory. In the first year 200 vehicles will be assembled in Vietnam and this output will increase to 11,000 units per year in the course of the next ten years.

The total investment in the joint venture plant will be USD 70 million in the next five years.

Daimler-Benz Interservice (Debis) has signed a memorandum of understanding with the Ministry of Culture and Information on plans to construct four exhibition halls in Hanoi with 20,000 sq metres of exhibition space. The centre should open its doors at the beginning of 1996 and be handed over to the Vietnamese Government 15 years later.

In 1994 the Daimler Benz group presented its technological expertise to the Vietnamese public at two special exhibitions in Hanoi and Ho Chi Minh City.

Talks Held With Thailand on Sea Border Dispute

BK1401163395 Hanoi VNA in English 1454 GMT 14 Jan 95

[FBIS Transcribed Text] Hanoi VNA Jan. 14.—Vietnam and Thailand held their third round of negotiation in Bangkok from Jan 10-13 on delineation of their continental shelf overlaps in the Thailand Gulf.

The Vietnamese delegation was headed by lawyer Nguyen Quy Binh, head of the International Laws and Conventions Department of the Ministry of Foreign Affairs, and the Thai delegation was led by his Thai counterpart, Mr K.W. Kunchon.

The two sides focused their discussion on the delineation of their continental shelf overlaps which cover an area of 6,000 kms considering it a priority solution for the settlement of disputes.

Officials of the two countries expressed their hope that the two countries would achieve an equal and acceptable declination for both sides.

However, the two sides did not rule out the possibility to undertake joint development of the overlapping area in the Thailand Gulf, as they had agreed to do with Malaysia in case no agreement on this issue was reached.

Speaking to mass media workers, officials of the two sides held that the negotiation was conducted in a 'constructive spirit' and that in that negotiation they had made 'considerable progress' compared with the previous ones.

The two sides agreed to hold their fourth meeting in Hanoi.

Commentary Views Preparations To Join ASEAN

BK1601135695 Hanoi Voice of Vietnam in English 1000 GMT 16 Jan 95

[Station commentary]

[FBIS Transcribed Text] Vietnam this year is due to join the Association of Southeast Asian Nations, or ASEAN. It will enable Vietnam to learn of the experience in developing economy and industrialization from the members of the association. ASEAN can also constitute a bridge linking Vietnam with the market in Asia-Pacific and other regional and international organizations. Following is our radio comment:

At the 27th Foreign Ministerial Conference in Bangkok last July, ASEAN member countries welcomed Vietnam's access to their organization. This year Vietnam will become the seventh member of ASEAN, and in the future all Southeast Asian countries will become members. If this target is achieved, ASEAN's role and prestige in the region as well as in the world will be improved and regional stability and cooperation will be strengthened. Vietnam will be provided favorable conditions to express its voice effectively at regional and international forums.

Vietnam's aspiration to join ASEAN is to strengthen its economic, trade, scientific, and technological relations and to implement its diversified and multilateral open-door policy to be friend with all nations. What more importantly, when Vietnam joins this organization economic and trade ties between Vietnam and ASEAN member countries will improve. At present, the trade turnover between Vietnam and ASEAN is 35 percent of the total foreign trade turnover. ASEAN investment in Vietnam occupied 14 percent of direct foreign investment. Vietnam and ASEAN have already signed 50 agreements and legal documents. When Vietnam is an ASEAN member, these figures will properly increase.

At present, there is a concern over the differences of economic development between Vietnam and ASEAN. However, these differences are not the main obstacles. While ASEAN member countries are in different stages of development—with their economies based on advanced technology and manufacturing technique, Vietnam's economy invested mainly on the cheap labor

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force and raw materials—these differences can provide opportunities of mutual assistance. Vietnamese Prime Minister Vo Van Kiet has said that to be a member of ASEAN, Vietnam wants to be a significant member of the association. It wants to contribute to the association, not be a burden.

Over 18,000 Tonnes of Crude Oil Produced Daily

BK1601144295 Hanoi VNA in English 1226 GMT 16 Jan 95

[FBIS Transcribed Text] Hanoi VNA Jan. 16—The oil and gas industry of Vietnam in 1994 for the first time exploited seven million tonnes of crude oil of which the Vietnamese-Soviet oil and gas joint venture enterprise (Vietsovet) accounted for 6.9 million tonnes, 200,000 tonnes more than its target and an increase of 600,000 tonnes over last year's figure. Since early this year, the industry taps 18,000 tonnes of crude oil per day.

At present, the industry exploits crude oil from more than 100 wells in Bach Ho (White Tiger), Rong (Dragon) and Dai Hung (Big Bear) oilfields. With the operation of wells in the Rong and Dai Hung oilfields, it is expected that the crude oil volume pumped up in 1995 would be increased considerably compared with last year.

The industry is pushing up its exploration, searching and estimation of oil reserve to early put into operation oil and gas resources in mainland and offshore to achieve the target of turning out 20 million tonnes of crude oil a year by 2000.

The Petrovietnam has signed 28 product-sharing contracts for oil and gas prospectation, exploration and exploitation with oil and gas companies of 14 countries including Mobil (the United States), Total (France), BP and British Gas (the United Kingdom), Shell (the Netherlands), BHP (Australia) and Petronas (Malaysia).

Activities of Young Labor Brigade Noted

BK1501146895 Hanoi VNA in English 0641 GMT 15 Jan 95

[FBIS Transcribed Text] Hanoi VNA Jan. 15—Ten thousand young volunteers from 17 provinces and cities

throughout the country achieved a turnover of 650 billion VND [Vietnamese dong] from socio-economic activities in 1994.

Since the establishment of the Young Labour Volunteer Brigade in 1950 during the anti-French war, it has made great contributions (mainly) as transport and road building workers to the resistance wars. Tens of thousands of them took part in protecting transport roads in support of the regular army during the Dien Bien Phu campaign in the 1953-54 period, and Truong Son Trail during the war against US aggression in early the '70s. Nowadays the brigade, whose membership is smaller, is engaged in the government socio-economic programmes in difficult and remote areas.

According to the Ho Chi Minh Communist Youth Union, 14 young voluntary labour units are involving in the state's programme to regreen bare hills, take care of 30,000 ha [hectares] of forests and 500 ha of sedimental fields. Other units are operating tens of import-export establishments, restaurants and hotels. In the 1993-1994 period, they began implementing 10 projects capitalized at 17 billion VND coming from the state as soft loans in economic production expansion and job generation such as the projects on for-export leather shoes production in Haiphong with 600 workers, and another on arts and crafts production in Hanoi with 300 employees.

The Youth Union plans to broaden the activities of the young volunteers brigade to about 10 more provinces and cities with the additional membership of 15,000-20,000. This year the brigade concentrates on five tasks: illiteracy eradication, safe water and environment, public sanitation, agricultural and forestry promotion, and community-based culture and information. Meanwhile a school for young volunteers and a job training centre for beneficiaries of social welfare policies shall be set up soon.

The prime minister recently made a decision on organization, tasks of and preferential policy toward the young voluntary labour force.

Australia

Planned Rifle Sale to Indonesia Criticized

BK1701073795 Melbourne Radio Australia in English
0500 GMT 17 Jan 95

[FBIS Transcribed Text] The Australian Government has reportedly approved a \$100 million deal to supply Australian rifles to Indonesia. Newspaper reports say the federal government has given in principle support to the deal.

Australian Democrats have criticized the proposal, saying Australia should support Indonesia in other ways than with weapons. Australian Democrat senator, Vicki Bourne, said the Indonesian military's record on human rights is not good enough to allow such a deal to proceed.

[Begin Bourne recording] We should look at the way the Indonesian military work. It is nothing like the way you work in Australia or our military work. The Indonesian military looks at external threats, of which there are one, as far as we can see at the moment. But I also look what the Government of Indonesia considers to be internal threats, and that includes at the moment, of course, East Timor, Aceh, and Irian Jaya. If you look at what they have just done over the past few years, I would not put guns into hands until it is safe. [end recording]

Papua New Guinea

Reportage on Visit by Pope John Paul II

Security Operation Underway

BK1601110595 Hong Kong AFP in English 1049 GMT
16 Jan 95

[FBIS Transcribed Text] Port Moresby, Jan 16 (AFP)—Papua New Guinea police are watching several suspects, including an Iranian, as part of a huge operation surrounding the arrival of Pope John Paul II on Monday, security sources said. The sources said four people were being watched by police at a Port Moresby hotel as part of an international operation while the pope is on a four-nation Asia-Pacific tour. Police were out in force for the arrival from Manila of the head of the Roman Catholic church. There were similar terrorist scares in the Philippines where Pope John Paul II spent five days.

Security personnel were everywhere at the airport and along the 14 kilometre (8.5 mile) route taken by the pope to his first service on the Pacific island state. But Pope John Paul II did not appear concerned as he got off his special flight from Manila. He issued a message of peace and reconciliation on Papua New Guinea's troubled Bougainville province to the 5,000 dignitaries and supporters as he stood before a military guard of honour.

"I am especially aware of the whole country's concern for the suffering people of Bougainville," he said at an airport

speech. "To you, people of Bougainville, I send a special word of encouragement. If you have been treated unjustly, I invite you to remove bitterness from your hearts. If you bear arms unjustly, I urge you to put them down and seek reconciliation."

Bougainville island has been torn apart by a (?secessionist) rebellion for six years ago. Up to 60 percent of the population before the disturbances was Catholic.

Hundreds of soldiers have been killed, the latest on the eve of the Pope's arrival, and thousands of rebels and members of the civilian population have died in clashes with security forces of through lack of medical services.

Papua New Guinea governor general Sir Wiwa Korowi who gave a welcome speech also alluded to the problems of Bougainville saying he hoped the Pope's visit would be a spiritual strengthening for the country's leaders and people.

Pope John Paul II also visited Papua New Guinea in 1984.

Apart from the crowd which thronged and waited since noon thousands more lined the streets under the watchful eyes of police and security personnel as the Pope was driven seated in an open back utility which only had a flat sun roof to shield him from the sun.

In an unusual turn of the weather Port Moresby had its first rain downpour for almost twelve months on Sunday night.

Police Confirm 'Tracing' Iranians

BK1601125095 Hong Kong AFP in English 1219 GMT
16 Jan 95

[FBIS Transcribed Text] Port Moresby, Jan 16 (AFP)—Papua New Guinea police confirmed Monday they were tracing two Iranian businessmen but denied press reports that they were suspected of stalking Pope John Paul II. The two men checked out of a hotel, which unconfirmed reports named as the Granville, less than a kilometer (half a mile) from the airport where the 74-year-old pontiff touched down at the start of a two-day visit.

"The two men are in the country on business and there is no subterfuge regarding their entry or nationality," Assistant Commissioner Philip Taku said in a statement. He said police were tracing the men, one a carpet dealer and the other a resources and minerals expert, as part of a routine security inquiry during the pope's visit.

"The two men should come forward and disclose their whereabouts to police or immigration officials to clear themselves of any speculation as their bona fides," Taku added.

Chief Superintendent Denis Samin said the men arrived in Papua New Guinea around a month ago on a flight from Manila and checked out of the hotel about a week ago. He said there was no basis for suspecting them of foul play but police were tracing them as part of the papal security operation because of their nationalities.

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